

SECTION: **POLICY STATEMENT - AID TO INSTRUCTION**

SUBJECT: **INSTRUCTIONAL REVOLVING FUNDS**

PURPOSE: To establish basic policy and operational guidelines for instructional revolving funds administered by the Cal Poly Corporation ("CPC").

EFFECTIVE DATE: **December 7, 2001**

HISTORICAL: September 15, 1986

INSTRUCTIONAL REVOLVING FUNDS

I. BACKGROUND AND PURPOSE

- A. One of the main roles of the CPC is primarily as an instrument to aid the instructional programs of the University, and the CPC instructional revolving funds are an important aspect of instruction. The concept of a revolving fund for instructional use is to provide a vehicle for the student to acquire, on an optional basis, materials that complement the instructional effort, but that cannot be provided through the State Materials & Supplies fee.

II. POLICY

- A. Through the revolving fund, the CPC will provide an inventory of materials selected by the instructional staff and purchased through the normal CPC purchasing procedures.
- B. Materials will be provided only in those instances where the student has an option of selection and where the materials become the property of the student.

III. PROCESS

A. Approval Procedures

1. A department wishing to establish a revolving account will prepare a statement on purpose and use for approval by the appropriate College Dean and the University Vice President for Administration & Finance. The College Dean's approval verifies that the materials to be furnished are necessary to fulfill the objectives of the course; the Vice President for Administration & Finance approval verifies that these materials are not included among those furnished through the State Materials & Supplies fee and that use of the CPC is preferable to utilizing the university purchasing procedures. The Vice President for Administration & Finance will also insure that the proposed revolving account is in compliance with the Chancellor's Executive Order #740 regarding student fees.

B. Establishment of Account

1. The Vice President for Administration & Finance will notify the CPC when an instructional revolving fund has received the appropriate approvals. The CPC Executive Director or a designee will provide the College Dean and/or department head with an instructional revolving fund account number and assistance in implementing the account.

C. Purchasing

1. The CPC Accounting Office will follow its normal purchasing procedures. Upon receipt of approved requisitions, purchase orders will be mailed to the designated vendors. Payment will be made when vendor's invoice and receiving documents are received.

D. Pricing Procedures

1. In pricing materials, it is vital that all costs be considered. It will be the responsibility of the designated instructional staff to consider freight, sales tax, an allowance for waste or spoilage, and the CPC administrative charge when pricing material for charges to the student. To assist in pricing, the CPC Accounting Office will furnish copies of purchase documents with all such costs noted.

E. Payment for Materials

1. All students must pay for needed materials in advance of receiving these materials. The student will take a bill of materials form to the Cashier's Office in the Administration Building, pay the amount indicated, and receive a cash payment receipt.
2. The student must present the cash payment receipt at the time materials are issued.

F. Records

1. The CPC will maintain a complete record of all transactions and will submit quarterly reports to the instructional department. If needed, more frequent reports will be supplied upon request.
2. The instructional department will maintain a segregated inventory of all materials purchased through the revolving fund account and will submit an annual inventory listing at the close of each fiscal year.

G. Termination

1. In the event of the termination of a revolving fund, any surplus will be credited to the State Share Reserve Account. Any deficit will be charged to the State Share Reserve Account only after acceptance by the CPC Board of Directors of a termination report from the College Dean.