



FLORIDA STATE UNIVERSITY  
BUDGET OFFICE

**Introduction to  
Auxiliary & Designated Funds**

BTBUD2

# Presentations

Budget Office presentations can be found on our website at [budget.fsu.edu](http://budget.fsu.edu)



The screenshot shows the Florida State University Budget Office website. The header includes the university name, logo, and navigation links (HOME, ABOUT, FORMS, CONTACT US, RESOURCES). The main content area is titled "Training & Resources" and features a sidebar with "Queries" and "Training Presentations" (highlighted with a green box). The main text describes the classes provided, including "Budgeting (BTAC05) - Coming Soon" and "Introduction to Auxiliary & Designated (BTBUD2)" (highlighted with a green box). The "Introduction to Auxiliary & Designated" section includes a description of the class and a link to "Auxiliary Rate Calculation (BTBUD3)".

FLORIDA STATE UNIVERSITY

BUDGET OFFICE

HOME ABOUT FORMS CONTACT US RESOURCES

## Training & Resources

Queries +

Training Presentations -

The Budget Office provides the following classes (click the class title to view the training materials):

**Budgeting (BTAC05) - Coming Soon**

For Budget Managers and other fiscal personnel. Topics covered include the various types of budget entities at the University, policies and procedures related to each, Budget Manager responsibilities, Commitment Control ledgers, Budget Transfers, and general resources that Financials users may find helpful. Please note: Budgeting related to Sponsored Research or C&G departments are not specifically addressed.

**Introduction to Auxiliary & Designated (BTBUD2)**

For Budget Managers and other fiscal personnel. An introduction to Auxiliaries, including how to create a new auxiliary, classification of different auxiliary types, policies and procedures, rate methodology, audit expectations, and record retention requirements. Other topics covered include a timeline of important dates, overhead assessments, and available resources.

**Auxiliary Rate Calculation (BTBUD3)**

For budget managers and fiscal personnel who prepare University auxiliary rate calculations. This class covers regulatory framework for a rate calculation, Basic concepts for calculating a rate, an example of an auxiliary rate calculation along with reconciliation of expenses and an allowable cash balance worksheet using University financial records, documents and resources, and models for estimating auxiliary revenue hourly, cost plus and cost plus fixed.

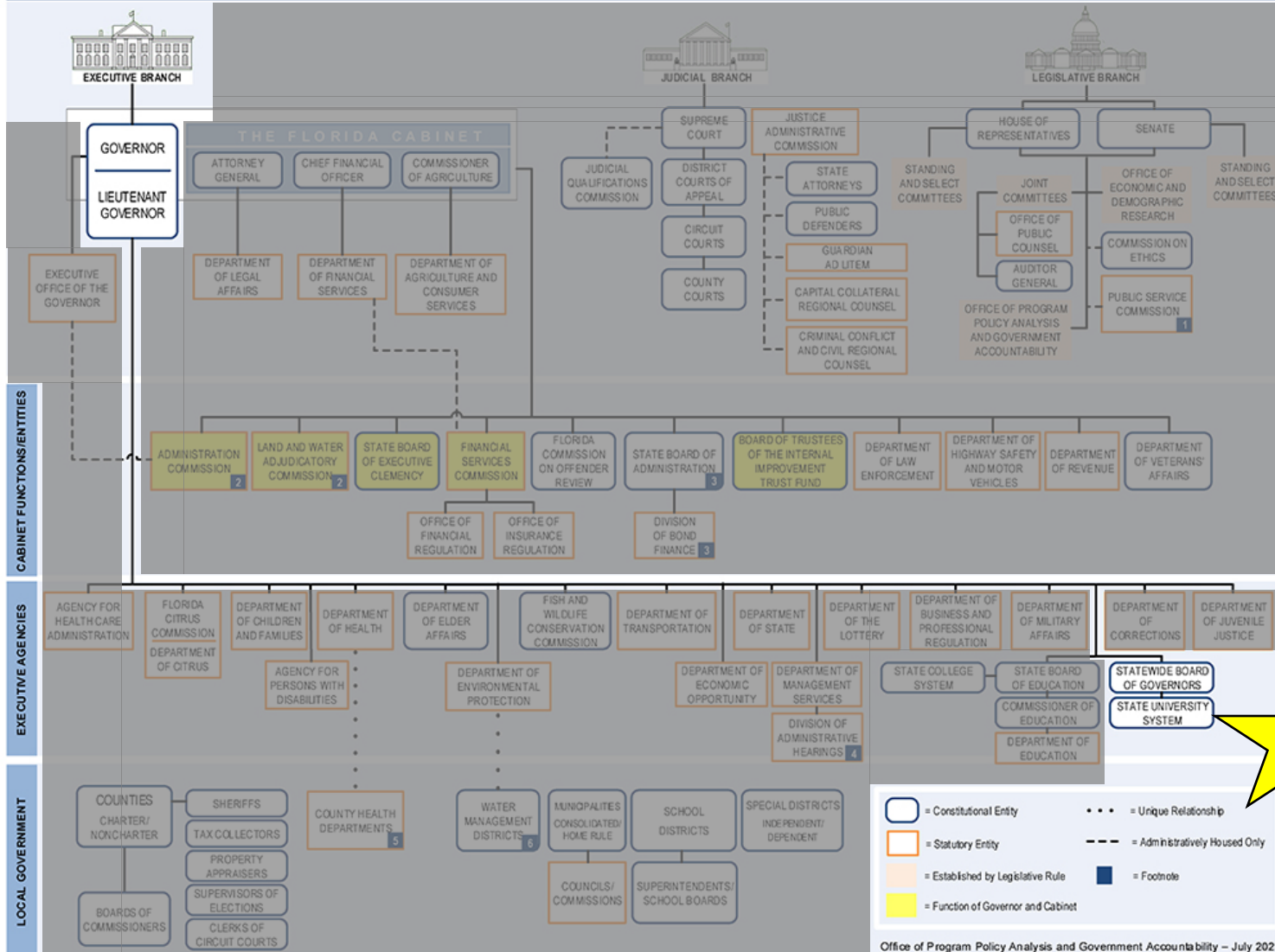
# What will we cover?

- Introduction to university governance
- Sources of university funds
- Auxiliary/designated classifications
- Tuition & fees and other university funds
- Process to establish an auxiliary/designated department
- Budget checking/budget transfers
- Internal Billing/Transact
- Calendar of important dates
- Frequently asked questions
- Applicable statutes, regulations and policies
- Resources





# THE FLORIDA ELECTORATE



## State of Florida Organizational Chart

Office of Program Policy Analysis and Government Accountability – July 2021





FLORIDA STATE UNIVERSITY



# Boards

## Article IX, Section 7 of the Florida Constitution

- There shall be a single state university system comprised of all public universities. A board of trustees shall administer each public university and a board of governors shall govern the state university system

## Florida Board of Governors (BOG)

- The board shall operate, regulate, control, and be fully responsible for the management of the whole university system
- The Board of Governors of the State University System shall oversee the performance of state university boards of trustees in the enforcement of laws, rules, and regulations.

## University Board of Trustees (BOT)

- State university boards of trustees shall be primarily responsible for compliance with laws and Board of Governors' rules and regulations.
- Sets policies for the university
- Responsible for the financial management of the university



# Sources of Funding – E&G

## Education and General

- Funds appropriated by the State Legislature used primarily to support instruction, research, administration, student services, and physical plant management. This includes funding sourced from:
  - General Revenue (primarily Florida's sales tax)
  - The Education Enhancement Trust Fund (Lottery)
  - Student Tuition and certain fees
- Spending must result in a direct, specific benefit to the university.
- OMNI Funds 110-241
- Includes Carryforward funds (unspent E&G)



# Sources of Funding – Restricted/C&G

## Restricted/Contracts and Grants

- Resources whose use is limited by an external agency or donor to a specific manner, purpose, and/or timeframe. This includes:

Funds	Description
510-515	Developmental Resource School (DRS)
520-570	Contracts and Grants (C&G)
599	FSU Foundation
660-680	Restricted Scholarships





# Sources of Funding - Non-E&G

## Auxiliary

- §1011.47 F.S. - Auxiliary enterprises
  - Auxiliary enterprises includes activities that directly or indirectly provide a product and/or service to a university or external users and for which a charge is made.
- BOG Regulation 9.013 - Auxiliary Operations
  - Auxiliary services are **integral activities** of a university that furnish to its faculty, staff and students goods and/or services that are **necessary** or desirable **but not readily available elsewhere** in terms of costs, quality, quantity, timeliness, convenience, or other similar considerations.
  - These activities shall support the educational endeavor of the institution and enhance its functioning; therefore, they **shall not detract or distract from this basic endeavor** in any way, financially or otherwise.

## Designated

- Revenues collected or set aside for a specific purpose, including funds administered by central offices or administrative departments, along with certain student fees.



# Internal vs. External Customers

FSU Policy [4-OP-D-1 Omni Departments](#)

## Internal

- Education & General departments, auxiliaries, sponsored research projects, Foundation Projects and any other University department that has a six-digit DeptID

## External

- Faculty, staff, students, DSOs, other state agencies, and any other individuals or organizations that are not University departments, and therefore do not have a six-digit DeptID



# Classifications

## Enterprise (ENTR)

- **Mission:** These auxiliaries exist to provide goods or services primarily to University students, faculty, and staff (external users)
- **Revenues:** may realize revenues in excess of costs on both external and internal users but never on internal sponsored users
- **Fund balances:** Should be maintained at a level consistent with each department's mission and operating plan.
- **OHA:** Full
- **Auxiliary Only**



# Classifications



## Enterprise Examples:



**FSU BOOKSTORE**  
**SEMINOLE SPORTSHOP**  
The official stores of FLORIDA STATE UNIVERSITY



UNIVERSITY HEALTH  
SERVICES



# Classifications

## Sales & Service of Educational Activities (SSED)

- **Mission:** These auxiliaries exist to support the mission of the University both within and outside the classroom, helping to demonstrate classroom or related educational techniques to University students, faculty, staff, or other external users. Any goods or services provided are incidental to the basic instructional laboratory experience of the user
- **Revenues:** may realize revenues in excess of costs on external users but should only charge at cost to internal users
- **Fund balances:** Month-end fund balance should not exceed 15% of annual operating expenditures
- **OHA**
  - 0% - if 51% or more of revenue comes from internal users,
  - 1% - if 51% or more of revenue comes from external users
- Auxiliary or Designated



# Classifications

Sales & Service of Educational Activities Examples:



CENTER FOR Academic & Professional Development

INTERNATIONAL PROGRAMS



Center for PREVENTION & EARLY INTERVENTION Policy

# Classifications

## Sales & Service of Non-Educational Activities (SSNE)

- **Mission:** These auxiliaries exist to provide goods and services primarily to University departments, though they also provide goods and services to University students, faculty, and staff
- **Revenues:** may realize revenues in excess of costs on external users but should only charge at cost to internal users
- **Fund balances:** Month-end fund balance should not exceed 15% of annual operating expenditures
- **OHA**
  - 0% - if 51% or more of revenue comes from internal users
  - 1% - if 51% or more of revenue comes from external users
- Auxiliary or Designated



# Classifications

## Sales & Service of Non-Educational Examples:



Florida State University  
**NEW STUDENT  
& FAMILY PROGRAMS**  
DEPARTMENT OF STUDENT  
SUPPORT & TRANSITIONS



FRATERNITY & SORORITY LIFE



# Classifications

## Materials & Supplies Fee (MASF)

- **§1009.24 (14)(i):** Each university board of trustees is authorized to assess Material and Supply Fees not to exceed the amount necessary to offset the cost of materials or supply items which are consumed in the course of the student's instructional activities
- **Mission:** Revenue is used to purchase consumable supplies used in labs associated with student credit or non-credit courses
- **Revenues and Fund balances:** Fee revenue should cover exactly the cost of consumable supplies used during the semester, so there should be no revenues in excess of costs.
- **OHA:** 0%
- **Designated Only**
- This fee must first be approved by the Office of the Provost
- Fund 301



# Classifications

## Other (OTHR)

- **Mission:** These auxiliaries exist to furnish goods and services to the University community, but do not fit into any of the above classifications. They are maintained by the Budget Office and the Controller's Office, and are managed by the ASB
- **Revenues & Fund Balances:** There are no billing rates for these auxiliaries. Fund balances should be maintained at a level consistent with each department's mission and operating plan.
- **OHA:** assessments vary between 0% and the Full rate depending on the type of activity
- Auxiliary or Designated
- Examples: Construction departments, ASB Loans, Overhead Salary



# Other Notable Mentions

- §1011.47 F.S. states that vending and athletics **shall** be auxiliaries
- ITS has both E&G and Non-E&G operations encompassing most classifications
- The Union has both auxiliaries and designated operations



FLORIDA STATE UNIVERSITY  
STUDENT UNION



# Tuition & Fees

Consists of E&G and Non-E&G portions (auxiliary and designated)

Fee Category	Undergraduate Courses	Graduate Courses
<b>State Fees (per credit hour)</b>		
Matriculation Fee	\$105.07	\$403.51
Student Financial Aid	\$5.25	\$20.17
Capital Improvement Fee	\$4.76	\$4.76
<b>Subtotal of State Fees</b>	<b>\$115.08</b>	<b>\$428.44</b>
<b>Local Fees (per credit hour)</b>		
Athletics Fee	\$7.90	\$7.90
Activities and Services Fee	\$12.86	\$12.86
Student Health Fee	\$13.97	\$13.97
<b>Subtotal Local Fees</b>	<b>\$34.73</b>	<b>\$34.73</b>
<b>Other Fees (per credit hour)</b>		
Transportation Fee	\$8.90	\$8.90
Tuition Differential Fee	\$49.59	\$0.00
Student Facilities Use Fee	\$2.00	\$2.00
Technology Fee	\$5.25	\$5.25
<b>Subtotal University Fees</b>	<b>\$65.74</b>	<b>\$16.15</b>
<b>Total In-State (per credit hour)</b>	<b>\$215.55</b>	<b>\$479.32</b>
<b>Out-of-State Fees (per credit hour)</b>		
Out-of-State Fee	\$481.48	\$601.34
Out-of-State Financial Aid Fee	\$24.07	\$30.06
<b>Total Out-of-State (per credit hour)</b>	<b>\$721.10</b>	<b>\$1,110.72</b>
<b>Term-based Flat Fees</b>		
Per-Semester Facilities Use Fee (all terms)	\$20.00	\$20.00
FSUCard Term Fee (Fall & Spring only)	\$5.00	\$5.00



# Tuition & Fees

## E&G

### Auxiliary

## Designated

Additional fees in fund 301:

- Materials and Supplies (M&S)  
(Previously “Lab Fees”)
- Equipment/Facilities fees
- Distance Learning Fees

Fund:	Fee Category	Undergraduate Courses	Graduate Courses
	State Fees (per credit hour)		
120	Matriculation Fee	\$105.07	\$403.51
650	Student Financial Aid	\$5.25	\$20.17
8xx	Capital Improvement Fee	\$4.76	\$4.76
	Subtotal of State Fees	\$115.08	\$428.44
	Local Fees (per credit hour)		
630	Athletics Fee	\$7.90	\$7.90
610	Activities and Services Fee	\$12.86	\$12.86
390	Student Health Fee	\$13.97	\$13.97
	Subtotal Local Fees	\$34.73	\$34.73
	Other Fees (per credit hour)		
360	Transportation Fee	\$8.90	\$8.90
121	Tuition Differential Fee	\$49.59	\$0.00
301	Student Facilities Use Fee	\$2.00	\$2.00
615	Technology Fee	\$5.25	\$5.25
	Subtotal University Fees	\$65.74	\$16.15
	<b>Total In-State (per credit hour)</b>	<b>\$215.55</b>	<b>\$479.32</b>
	Out-of-State Fees (per credit hour)		
120	Out-of-State Fee	\$481.48	\$601.34
	Out-of-State Financial Aid Fee	\$24.07	\$30.06
	<b>Total Out-of-State (per credit hour)</b>	<b>\$721.10</b>	<b>\$1,110.72</b>
	Term-based Flat Fees		
301	Per-Semester Facilities Use Fee (all terms)	\$20.00	\$20.00
320	FSUCard Term Fee (Fall & Spring only)	\$5.00	\$5.00



# OMNI Funds – Examples

Education & General (E&G)	Designated	Auxiliary	Restricted
110 – E&G GR	301 – Student Fees	310 – Working Capital	510 – Florida State University Schools
120 – E&G Student & Other Fees	330 – Auxiliary Overhead	320 – Auxiliary Enterprise	520-570 – Sponsored Research
140 – E&G GR Carryforward	335 – Central Ops & Svcs	321 – Medical Practice Plan	599 – FSU Foundation Dept Funds
121 – Tuition Differential	610 – Activity & Svc Fee	345 – Civic Center	660-665 – Restricted Scholarships
126 – Tuition Differential Carryforward	615 – Technology Fee	350 – NWRDC	680 – Scholarship Agency Funds
210 – Medicine GR	620 – Concessions (Vending)	360 – Parking & Transportation	
240 – Medicine GR Carryforward	650 – Unrestricted Scholarship	370 – Housing Operations	
211 – Engineering GR		390 – Wellness Ctr & Health Fees	
241 – Engineering GR Carryforward		630 - 638 – Athletics	



# Establishing an Auxiliary Department

## Requirements

- Clearly support the University's mission of teaching, research, and public service
- Must be an ongoing activity
- Generate revenues exceeding \$5,000 annually
- A new auxiliary will not be established when an existing entity is available to account for the good or service, or in cases where the activity should be administered by the Office of Research or a DSO.

If Cash, Checks or Credit Cards are collected:

- Approved as a Cash Collection Point
- <https://controller.vpfa.fsu.edu/services/merchant-services>
- Work with the Controller's Office in use of Transact

## To Establish an Auxiliary

- Fill out *Request to Establish an Auxiliary Operation* & the *Establish a New Department ID* forms
- Document Rate Methodology
- Obtain Dean/Director/Dept Head/Chair's approval
- Send to Budget Office to obtain remaining approvals at least 6 weeks in advance



# Establishing a Designated Department

## Requirements

- Clearly support the University's mission
- Must be ongoing activity
- Generate revenues exceeding \$5,000 annually (certain fees are excluded from this requirement)

## To Establish a Designated Department

- Fill out Request to Establish a Designated Department & the form to Establish a New Department ID
- Provide documentation to show approval of the fee and a Rate Methodology if applicable
- Obtain Dean/Director/Dept Head/Chair's approval





# Rate Methodology

Direct + Indirect Costs = Total Costs



- Fund Balance 15% of annual expenditures
- Rates for External / Internal / Internal Sponsored Projects Users
- Doing business with Sponsored Projects: [Florida State University Policy 7A-25 - Unallowable Costs](#)
  - Includes Funds 520, 521, 523 & 524



# Rate Methodology



Usage Base

150 burgers per hour

10 hour days x 150 = 1,500 burgers per day

1,500 x 248 working days per year

= 372,000 burgers per year



# Rate Methodology



## Direct Costs

		Per Item	Per Year
Buns	\$10/package -10 buns =	\$1.00	\$372,000
Meat	\$20/package -10 patties =	\$2.00	\$744,000
Labor, grill (2)	\$10/hour @ 75 patties =	\$0.13	\$49,600
Labor, dress (3)	\$10/hour @ 50 burgers =	\$0.20	\$74,400
		<hr/>	<hr/>
		\$3.33	\$1,240,000

## Indirect Costs

		Per Item	Per Year
Insurance	\$600/month ÷ 31,000 burgers =	\$0.02	\$7,200
Manager	\$15/hour ÷ 150 burgers/hour =	\$0.10	\$37,200
		<hr/>	<hr/>
		\$0.12	\$44,400



# Rate Methodology



**Direct + Indirect = Total Cost**

Per Item:  $\$3.33 + \$0.12 = \$3.45$

Per Year:  $\$1,240,000 + \$44,400 = \$1,284,400$

$\$1,284,400 \div 372,000 \text{ burgers} = \underline{\$3.45}$

**Charge Internal Users: \$3.45**

**Charge External Users: \$3.62**



# Rate Methodology



Build under/over collected costs into rate:

Total Costs + Under collected amount

Total Costs – Over collected amount

Under collected \$5,000 last year

$$\$1,284,400 + \$5,000 = \$1,289,400$$

$$\$1,289,400 \div 372,000 \text{ burgers} = \underline{\underline{\$3.47}}$$



# Spending Constraints

- Auxiliaries & Designated must follow all general FSU Policies & Procedures, including payroll, travel, purchasing and accounts payable.
- OMNI will budget check Available Balance at the department-fund-account level and will prevent certain transactions\* from being processed without sufficient available balance.
  - OMNI will also check available Project balances for Foundation (599) projects.
- Department staff must manually check Fund Balance.

<b>Fund Type</b>	<b><i>OMNI</i> Departmental Available Balance</b>	<b><i>Manual</i> Departmental Fund Balance</b>	<b><i>OMNI</i> Project Available Balance</b>
E&G	X		
Non-E&G	X	X	
Foundation (599)	X		X



# Spending Constraints – Available Balance

- Available Balance = Budget - Encumbrances - Expenses
- To view Available Balance use any of the following:
  - Budgets Overview
  - Budget Details
  - Queries:
    - FSU\_BUD\_AVAIL\_BAL - View Budget, Encumbrance, Expense, and Available Balance by department-fund-account
    - FSU\_BUD\_AVAIL\_BAL\_DIM - View Division, School Area, DDDHC, Budget Manager, Budget, Encumbrance, Expense, and Available Balance by department-fund-account
    - FSU\_BUD\_FSUF\_AVAIL\_BAL – Specifically for Foundation Projects on fund 599, view Budget, Encumbrance, Expense, and Available Balance by department-fund-project-account
  - BI Dashboards:
    - Financial Reports – Available Balance
    - Financial Reports – Budget and Transaction



# Spending Constraints – Fund Balance

- Fund Balance = Assets - Liabilities(excluding capital asset accounts)
- To check Fund Balance use query FSU\_DPT\_TRIAL\_BALANCE.
  - Do not forget to consider outstanding encumbrances, which are not included in the query.

In this example, cash is \$311,301.15 and Fund Balance is \$315,304.36 (Cash + AR + AP)

	Account	Account_Description	Sum Total Amt
1	112000	Cash in Bank	311301.150
2	151100	AR - Fees	4161.160
3	311017	AP - Payroll St Retire Not ORP	-157.950





# Budget Transfers



- Budget Transfer role requested through eORR
  - Must list out each department & corresponding fund in justification field
- Budget booked only on Budgetary Accounts
- Transfers may be made within a department or between departments within the same fund
- Adjustments to revenue budgets must be posted by the Budget Office



# Auxiliary Accounting/Internal Billing

## BTUIB1 - Understanding Internal Billing

### Internal Purchase Orders

- Created in OMNI, not SpearMart
- Required to originate charges and encumbrances for all interdepartmental billing when the selling department is using AR/Billing functionality in OMNI; no exceptions.
- Applies correct accounting information to the expense
- Allows for encumbrances to be created which affects your available balance
- The Purchase Order is simply a charge mechanism and **does not** replace the Sales Order. Contact the selling auxiliary to make request.
- No payment/receipting necessary
- Questions? See the [Auxiliary Services](#) website or contact [CTL-AuxiliaryAccounting@fsu.edu](mailto:CTL-AuxiliaryAccounting@fsu.edu)



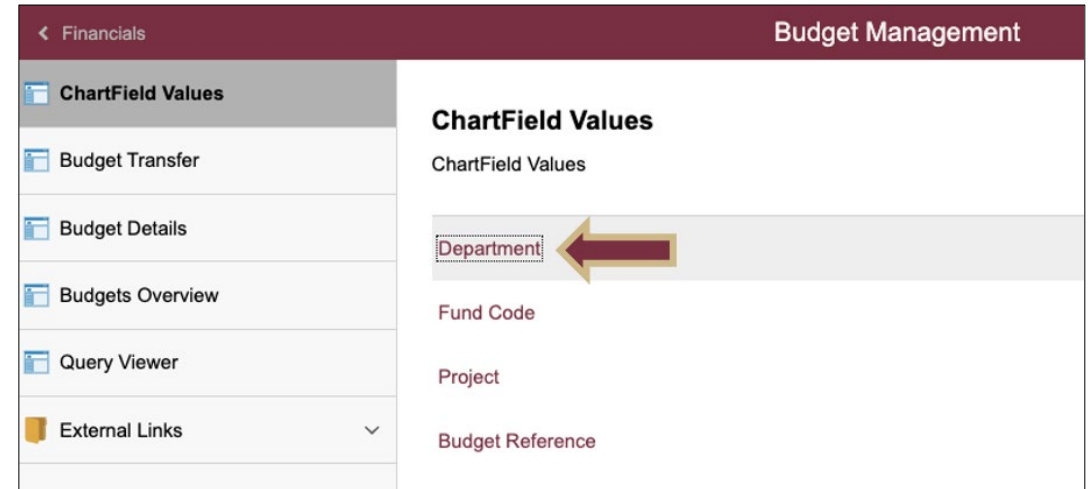
# TRANSACT

- Replaces PayPoint
- Third-party application that provides ecommerce-related services
- Allows departments to operate online storefronts (eMarkets) to create custom online spaces to sell materials and supplies, physical products, rented space, memberships, etc.
- Provides cashiering point of sale and accepts payments for charges in the Auxiliary Accounts Receivable system in OMNI Financials
- Payments from **external customers.**
- <https://controller.vpfa.fsu.edu/transact-departments>



# Budget Manager Responsibilities

- Found in ChartField Values
- Official Contact
- Reconcile Expenditures
- Check Available Balance and Fund Balance
- Submit Rate Methodologies
- [Budget Manager Responsibilities](#)



The screenshot displays the 'Budget Management' interface. On the left is a navigation menu with the following items: 'ChartField Values' (selected), 'Budget Transfer', 'Budget Details', 'Budgets Overview', 'Query Viewer', and 'External Links'. The main content area is titled 'ChartField Values' and contains a list of fields: 'Department', 'Fund Code', 'Project', and 'Budget Reference'. A red arrow points to the 'Department' field, which is currently empty and has a dashed border.



# Calendar of Important Dates

- September: Rate update requests sent out
- October: Updated rates are due
- November: Casualty Insurance Assessed (expense)
- February: Overhead Assessment Charged (transfer out)
- April: Budget Entry Window
- July: Budget booked in OMNI



# Frequently Asked Questions...



What happens if...

- We no longer need to use the auxiliary?
- Our auxiliary activities/mission changes?
- We go into a deficit?
- We change our rates?
- We have too much excess cash?
- We don't have enough budget to purchase an OCO item over \$5,000?
- We have activity in the Foundation to move over?



# Governing Laws, Regulations, & Policies

- Title XLVIII, Florida Statutes
  - Chapter 1009 – Educational Scholarships, Fees, and Financial Assistance
    - 1009.24 – State university student fees
  - Chapter 1011 – Planning and Budgeting
    - 1011.90 – State university funding
  - Chapter 1013 – Educational Facilities
- Board of Governors Regulations
  - Chapter 7 – Tuition and Fees
  - Chapter 9 – Property and Finance
  - Chapter 14 – Construction Program
- Board of Governors [Glossary of Budget and Finance Terms](#)
- University Regulations
  - Chapter 2 – Administrative Matters
    - 2.024 – Tuition and Fees
- University Policies
  - 4-OP-D-1 OMNI Departments
  - 4-OP-D-1-B Education & General Salary & Rate



# Resources

- Budget Office website ([budget.fsu.edu](http://budget.fsu.edu))
  - Training & Resources, Positions & Rate, Auxiliary & Designated, Policies, Forms
- Controller's Website: <https://controller.vpfa.fsu.edu/>
  - Forms, Useful Queries, Policies, Payables & Disbursements
  - Expenditure Guidelines ([controller.vpfa.fsu.edu/services/accounts-payable](https://controller.vpfa.fsu.edu/services/accounts-payable))





# Helpful Reports & Training

- OMNI
  - ChartField Values: OMNI Financials → Budget Management → Define ChartField Value
  - Cash Balance Query: FSU\_DPT\_CASH\_BALANCE
  - Department Info Query: FSU\_CF\_DEPT\_ATTRIB2
  - Available Balance Query: FSU\_BUD\_AVAIL\_BAL\_DIM
  - Trial Balance Query: FSU\_DPT\_TRIAL\_BALANCE
- BI Reports:
  - Department Ledger Review
  - Budget & Transaction
  - HR - GL Detail
- Other Helpful Training
  - Budgeting – BTAC05
  - General Ledger Classes – BTAC01, BTAC02, BTAC03, BTAC04



# Questions?

Email: [budget@fsu.edu](mailto:budget@fsu.edu)

Website: [budget.fsu.edu](http://budget.fsu.edu)

## Salary Questions:

Gail Friedrich

Christopher Brown

## Auxiliary Questions

Mary Alice Bullard

Ben Spivey

## All Other Budget Questions:

Katie Perkins

Mary Alice Bullard

Angela Crosby

