Chapter 7 - General Finance Provisions
Operating Instruction

Operating Instruction 7.5.1.1 Accounting for Student Organizations, Clubs, and Agency Funds

Part 1. Purpose
To provide clarity on the accounting and financial reporting process for student organizations, clubs, and agency funds.

Part 2. Accounting for Student Activity
Financial transactions for student activity accounts should be recorded in HEB fund 220 (Student Association Fee), 225 (Student Activity Fund), 230 (Health Services Fund), 240 (Intercollegiate Athletics Fund), and 250 (Child Care). These funds receive an allocation of student fee revenue collected from all credit-taking students, and may also generate additional revenue from the sale of tickets, services, or other activities. Follow any of the applicable board policies and system procedures when recording financial activities in funds 220, 225, 230, 240, and 250, all of which point to appropriation LSR (Local Special Revenue).

Part 3. Accounting for Agency Funds
The student organization and club accounts that generate their own revenue from membership or other miscellaneous sources in accordance with each organization’s constitution or other agreements are considered agency funds. The college or university is holding student organization, club, or agency account funds in trust for the benefit of the funds owners, but generally does not dictate the uses for these funds. These funds are not considered assets of the college or university. Financial activity for student organization or club accounts should be recorded in HEB fund 940 (Agency – Local).

Part 4. Financial Reporting for Agency Funds
GASB Statement 34, paragraph 73, states that agency funds should be used to report resources held in a custodial capacity. Agency funds include monies held by the institution in a fiduciary capacity where no income or loss should be reported, but any such income should be treated as a liability reflecting the fiduciary type of the agency fund.

Date of Adoption: 05/16/11
Date of Implementation: 05/16/11
Date of Last Review: 03/13/17
Date and Subject of Revision:
03/13/17 - Technical changes were made throughout for consistency and clarity

No additional HISTORY.