

**POLICY
BOARD OF TRUSTEES
MAYLAND COMMUNITY COLLEGE**

**TITLE USE OF FUNDS GENERATED
BY SELF-SUPPORTING CLASSES**

TYPE: FISCAL

POLICY NO: 2.008

Policy Adopted: May 10, 1999

EFFECTIVE DATE: 1-14-13

AMENDED DATE: 7-8-02; 10-13-03; 3-19-07; 1-14-13

**Charles Ronald Kates
Chairman**

AUTHORITY: 1E SBCCC 600.4

I. Policy Statement

Mayland Community College may sponsor self-supporting classes, deposit income to a local account, and pay all expenses from such local account. In keeping with the philosophy of the State Board of Community Colleges, each student is required to pay a pro-rata share of the cost of a self-supporting class. The share shall be based on a good faith estimate of the direct and indirect costs of instruction for the class. Since the pro-rata share assumed is not considered a registration fee, no individual or group is exempt under GS 115D-5(b) or G.S. 115B-2 from paying a proportional share of the estimated cost of the class. All expenditures shall be consistent with the mission and purposes of the North Carolina Community College System and those of Mayland Community College.

II. Direct Costs

The following items may be considered as direct costs in providing self-supporting instruction:

1. Instructor(s) salary, including FICA, travel, course development costs, etc.;
2. Instructional supplies and materials;
3. Rental of building and other directly assignable costs;
4. Advertising (such as printing costs associated with a brochure postage, mailing, etc.);
5. Equipment associated with the instruction for a self-supporting class;
6. Refreshments; and
7. Administrative or clerical costs.

III. Indirect Costs

Indirect costs are the costs for activities supporting the offering of classes but which cannot be directly and exclusively assigned to a self-supporting class or the self-supporting program. Examples of indirect costs include:

1. Utilities, custodial and security services;
2. Coordinator, administrator or clerical salary and fringe benefits.

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IV. Handling of Excess Receipts

If self-supporting receipts exceed expenditures for the fiscal year, the following provisions will then apply:

1. Excess receipts shall be used for one or more of the following purposes: instruction, student support services, student financial aid (scholarships, grants, loans), student activities, curriculum development, program improvement, professional development, instructional equipment, and capital improvements and purchase of real property. The funds should be designated for student financial aid/scholarships and/or program improvement. All expenditures should be of direct benefit to students.
2. Excess receipts shall not be used for any of the following programs:
 - a. Supplemental salaries or benefits of any personnel;
 - b. Administrative support of the College, beyond allowable indirect costs; and
 - c. College entertain expense, functions in which the primary purpose is fundraising, or any other activity that does not directly benefit students.

V. Review

This policy shall be reviewed by the Board of Trustees at least once every three years following adoption.