PROCEDURE:

I. Establishment of Scholarship and Stipend Reserves:
   A. The Vice Chancellor of Administration & Finance may authorize establishment of Scholarship and Stipend Reserves.
   B. The Vice Chancellor of Administration & Finance will determine the purpose, funded amount, and use of Scholarship and Stipend Reserves.
   C. The Vice Chancellor of Administration & Finance will authorize establishment of the necessary accounting elements to track financial activity.
      1. A Designated Fund and index number will be created for the purpose of recording the associated funding transfers in and out for the Scholarship and Stipend Reserves.
      2. A General Operating index will be created to record the actual scholarship expenses
      3. A General Operating index will be created to record the actual stipend expenses

II. Transfers into Scholarship and Stipend Reserves
   A. Excess General Operating Funds from annual salary savings may be transferred into the reserve funds.
   B. Operational budget savings may be transferred into the reserve funds.

III. At fiscal year-end, an amount of funds sufficient to cover actual scholarship and stipend costs may be transferred from the associated designated reserve funds into the General Operating fund.

REFERENCES: