



## AOA Mission Statement

The Auxiliary Organizations Association (AOA) is a consortium of diverse, entrepreneurial, service-oriented CSU auxiliary organizations whose purpose is to assist in exemplary services, programs, and facilities that further the educational mission of each campus.

## A Brief History of Auxiliary Organizations

Auxiliary organizations in the California State University (CSU) have been in existence for many decades as a necessary supplement to state-supported instructional and administrative activities.

The first auxiliary organization, the Fresno State College Association, was established in 1922. Since that time, the growth of auxiliary organizations in CSU campuses has steadily increased, and today there are approximately 90 auxiliaries in the 23-campus CSU system, the largest single university system in the world.



## What is an Auxiliary Organization?

Auxiliary organizations are non-profit, separately organized legal entities, created to support student success and the educational mission of the CSU by providing instructional and services support not normally furnished by the state budget. The CSU established auxiliaries to complement the core academic programs at each campus to provide a full range of educational experiences.

Auxiliary organizations perform essential functions associated with postsecondary educational institutions, which under California law are difficult, cumbersome, or legally restricted and not supported by state funding. Auxiliary organizations enhance budgetary flexibility, manage risk and exposure, shield against liability, and increase investment opportunities.

## What are the Typical Functions of Auxiliaries?

Typical functions of auxiliaries include the following:

- Associated student body programs, student unions, and recreation centers
- Commercial services such as bookstores and dining services
- Programs that support externally funded grants and contracts, sponsored research, and special projects
- Philanthropic foundations that manage endowments, bequests, trusts, gifts, and fundraising
- Real estate transactions and public-private partnerships
- Childcare centers
- Aid to instruction such as programs that support academics, e.g., student enterprises, entrepreneurial ventures, commercial agriculture, and radio and TV stations

## What is the Relationship between an Auxiliary and the University?

Auxiliaries are self supporting. They have an Operating Agreement with the CSU outlining their functions and responsibilities to the University, including a Memorandum of Understanding that establishes their scope and operations, and addresses other contractual issues. Their annual budgets and program offerings are approved by each university's president to ensure compliance with the Board of Trustees and campus policies.

Auxiliaries' activities and affairs are conducted under the direction of governing boards, and they work cooperatively with the Chancellor's Office to integrate their operations with the campus community. They are subject to California corporate law, the Education Code, and CSU policies.



## How Do Auxiliaries Operate and What Are the Advantages?

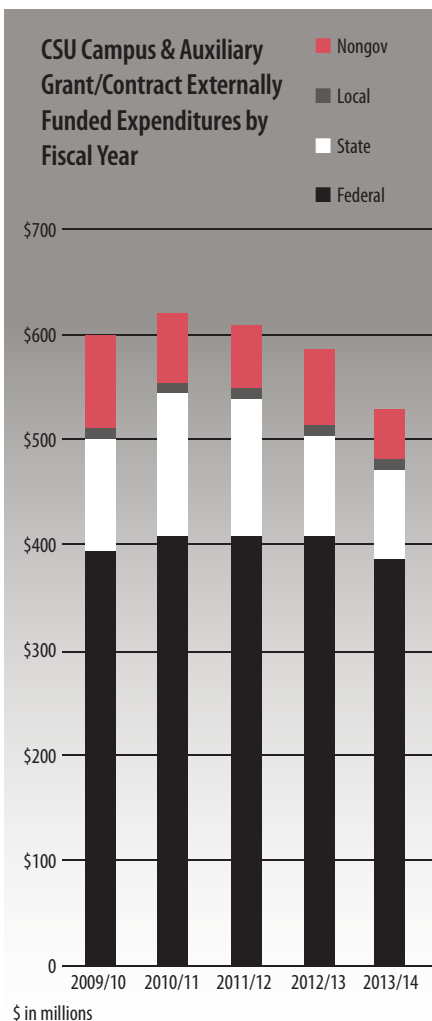
Over the last decade, state financial support for the CSU has declined dramatically. As a result, auxiliaries are even more important as they fulfill their missions through funding. With the ability to act as business entities, auxiliaries can provide greater flexibility and partnership opportunities. For example, auxiliary partnerships with business and industry are critical in providing internships and other real-world learning experiences for students as well as research and service opportunities for faculty.

Auxiliaries operate with “private sector” efficiency, flexibility, and adaptability, making them attractive and valuable to their universities. As 501(c)(3) nonprofit public benefit corporations, they have their own governing boards, financial structures, and personnel. They can manage endowment funds outside of state investment restrictions, e.g., invest in equities to maximize returns, purchase and sell property, and provide seed money or loans for the development of university projects. Also, they can enter into public and private partnerships that support the university, which shifts project risk and enables financing flexibility.

## Examples of Auxiliaries and their Impact

The following examples illustrate the vital role auxiliaries play in the CSU in supporting student success:

- The University Corporation at CSU Northridge launched one of the first investment funds to be managed by students in 1993 with a deposit of \$500,000. This fund has achieved national recognition and has grown to more than \$3 million while providing real-world experience to more than 1,200 honors finance students.
- Through the Cal Poly Pomona Foundation, the W. K. Kellogg Foundation gave the university a record \$42 million cash gift in 2010—the largest donation received in the history of the CSU. This donation contributed to Campaign for Cal Poly Pomona, which was launched during a recession, but raised \$160 million, surpassing its original goal. Gifts and donations such as these expand hands-on learning opportunities, prepare students for the workforce, and increase research and scholarship opportunities.
- In 2014, the Research Foundation at San Diego State University received more than 700 awards valued at \$108 million for researchers who have discovered ways to make the world more sustainable, healthier, safer, and better educated, while providing invaluable opportunities for students.



### Learn More

For more information, visit the AOA website at [www.csuaoa.org](http://www.csuaoa.org).