

Accounting for Elite Airways Credits

On August 22, 2016, an agreement was reached between Florida Tech and Elite Airways in which Elite Airways was given \$58,056.75 of credits in exchange for flight arrangements to be used by the Athletic Department. Per the agreement, the credits can be used by Elite Airways for tuition credits (online or on-campus), marketing, facility use fees (conference room fees, FBO cost, etc.) or any other means mutually agreed upon. Further, the balance will only expire through its utilization.

In order for proper tracking and accounting of these credits, the Office of the Controller will assume responsibility for reconciling the credit liability (to be recorded in liability account Elite Airways Liability – 25165).

Process flow:

A journal entry will be prepared to record the liability in December business; the offset will be flight expense for Athletics, within the Football org.

Elite Airways will inform Susan Denyer, Controller and/or Tara Matecki, Asst. Controller when they wish to utilize their credits. This communication is to be via email, and is to occur as far in advance as possible. The Controller's Office will advise the appropriate personnel of the credit use (Student Accounting if tuition-based, Business and Retail Operations if marketing or facility use, or other as necessary).

The liability will be reconciled on a fiscal quarter basis. Each fiscal quarter, the accountant responsible for reconciling the account will correspond with Elite Airways staff David Dow, Vice President, or his designee, as to the outstanding liability balance.