CAL STATE LA UNIVERSITY AUXILIARY SERVICES, INC.

CAMPUS PROGRAM ACCOUNT MANAGER'S HANDBOOK

This handbook must be read before completing an application and agreement form. By signing the agreement the account manager and approver certify that they have read, understood and accepted the terms and conditions stated in this handbook.

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1. Introduction

California State University Los Angeles (Cal State L.A.) departments and colleges, may establish a campus program account for depositing funds collected from non-state funding sources. (i.e. fees collected for placement, evaluations, testing, processing, programs projects, donations etc.) Cal State L.A. presidential chartered Centers, Bureaus, and Institutes may also establish campus program accounts. However; Centers, Bureaus, and Institutes have a separate and different approval process. (The process is outlined in the Cal State L.A.' graduate Studies and Research website) http://www.calstatela.edu/graduatestudies

The purpose of this document is to establish a clear and definitive guideline for accepting and administering campus program funds. UAS is tasked with administering the campus program accounts, which includes fiscal responsibility of receipt and expenditures of funds made into and out of campus program accounts. Accordingly, it is the fiduciary responsibility of UAS to maintain documentation for expenditures consistent with good business practice and remain in compliance with the campus program agreement and applicable documentation standards required by Federal, State, and Local governments.

Cal State L.A., on the other hand is legally responsible for the functions and services performed by all campus program account holders (Departments, Centers, Agencies, Institutes, and Bureaus). **Cal State L.A. and its units assume full responsibility for all functions and services performed in the campus program. Therefore UAS assumes no general liability for campus program account holders' actions.**

It is important to note that the funds are deposited into a campus program account for specific purposes related to the program, and the educational mission of Cal State L.A.. Although the Campus Program funds are not part of the university general fund money, funds donated are still considered state money.

Campus program accounts that are not established and used in accordance with the Education Code and CSU policy expose the university to public relations risks that are difficult to quantify but significant. UAS fosters California Whistleblower Protection Act under Executive Order no. 821, which establishes a procedure for employees at CSU and its auxiliaries, to make protected disclosures of improper activities. Any intentional deviation from the policies and procedures stated in this document must be reported to an UAS or university official.

2.Establishing a Campus Program Account

2.1 Campus Program Agreement

Per State Administrative Manual (SAM) 19440.1, each campus program account established should be supported by an authorizing document (Campus Program Agreement form) which will remain on file at UAS. The documentation will state clearly the type of campus program, source of income, purpose of the campus program, time constraints, person(s) authorized to withdraw or expend funds, sample signatures, reporting requirements, and instructions for closing the account and disposition of balance in the account. This documentation will be retained until the campus program is dissolved. Lack of complete campus program fund documentation increases the risk of improper fund management and inappropriate expenditures.

No account may be established without a properly executed Account manager's Agreement, approved by an UAS officer. The type and purpose of a campus program account determines the limitations (if any) on the fund expenditures. Regardless of purpose, all campus program accounts are confined to their department/college and Cal State L.A.'s educational mission. The Campus Program funds are not part of the university general fund money; however; funds donated are still considered state money and proscriptions of state law do apply. (For instance the monies cannot be given away or be invested in common stock (art. 16, sec 6 and 17).

The following will explain the various parts of a campus program agreement:

2.1.1 Types of accounts

There are 4 types of accounts. Each department may establish as many accounts as needed. According to Executive Order 919, it is important to maintain separate accountability for accounts with different purposes or restrictions.

Donor Restricted

Donor restricted accounts are the types of accounts where the donor establishes conditions on fund expenditure. This type of account requires the most scrutiny by both UAS and auditors.

Internally designated

Internally designated accounts are the types where the account holder pre-states what the funds are to be used for. Deviation from the original agreement is prohibited.

Unrestricted

Unrestricted accounts are the types of account where the donor has imposed no restrictions on expending the gift.

Indirect Cost (Contracts and Grants related)

Indirect cost accounts are initiated through the university. The funds originate from surplus payments from a Grant or Contract to cover all indirect costs. Each department/college receives a portion of this surplus, at university's discretion. The expenditures of Indirect Cost accounts are restricted based on the Contract or Grant it's supporting.

2.1.2 Source of funds

Per the Administrative Procedure # 218 and Executive Order 919 from CSU chancellor, defines the policies and procedures as to funds eligible for a campus program account. As a general rule no general fund monies may be used to generate these revenues (e.g., the state money paid to create a flyer for a fundraiser) Applicable rules and policies require that the University (i.e. General Fund) be reimbursed for all costs, direct and indirect, paid or incurred on behalf of other funds/entities.

If it is anticipated that the general fund will incur (or pay) any expenditures that are connected with this activity (project), an assessment will be made as to whether a Reimbursed Activities Program must be requested and established. If required, the Reimbursed Activities Program will be linked to the related Campus Program Fund. In such situations, expenses paid or incurred by the General Fund in connection with the Campus Program activities will be initially charged to the Reimbursed Activities Program and later billed to the Campus Program Fund. The request to establish a Reimbursed Program will be processed in accordance with the current Cal State L.A. procedure.

Education Code §8972 1 states, in part, that a Campus Program fund shall be legally established using monies received in connection with the following sources or purposes:

Gifts and donations

What is or is not a gift to a department/college can be a point of confusion. This section defines the terms gift, as used by the Chancellor's Office. There is a close cooperation, and occasionally overlapping responsibilities among the Office of University Development, the Office of Research and Sponsored Programs, The CSLA Foundation, and University Auxiliary Services.

Definition of gift and related terms

A gift to a department/college is a contribution received for either unrestricted or restricted use in the advancement of the university's department/college for which it has made no commitment of resources or

services other than committing to use the gift as the donor specifies. Contributions are from individuals, businesses, other organizations and public or private foundations.

A contribution is a one sided transfer in that there is no unspoken or overt statement of exchange, purchase of services, or condition of exclusive information. If a benefit is received in exchange of a contribution, the federal laws mandate a reduction in gift recording and reports by the fair market value of all benefits given. The university has no obligation to report to the donor how the gift is used or invested; but is not prevented from providing such reports as part of donor stewardship.

University units cannot respond to solicitations for donations from any organization that specifies race/ethnicity, religion, age, or gender preferences as its purpose, in violation of state and federal equity and diversity laws. Accordingly, UAS will not process check requests for donations for such purposes from the campus program accounts. Checks submitted for processing will be returned to the requestor.

Contributions take a variety of forms: cash, products, property, securities, life insurance contracts, and other items of value. Cash payments returned as contributions from salaried staff and insurance premiums paid by donors are also included. Gifts may be current or deferred; the most common deferred gifts are bequests, charitable remainder campus programs, charitable annuities, and multi-year pledges.

Additional information on gifts may be obtained on the Cal State L.A.' Institutional Advancement's website:
http://www.calstatela.edu/univ/ppa/IAhome/IAhome102913.php

Educational related sales of good and services

Department/agencies may create goods and services that may be sold to students, staff, and the general public to supplement the instructional offerings. (e.g., sales of scientific or literary publications)

Commercial Sales of good and services

Another source of funds is sales of goods and services that enhance but are not central to the educational mission of Cal State L.A.. (e.g., food service, student insurance policy)

Campus Events (i.e. workshops, conference)

Department/agencies host a wide range of activities not only for students but also for faculty, alumni, and surrounding communities. These events are designed to complement the university experience, (e.g., workshops, conferences) Monies collected from these activities are another source of funds for Campus Program account holders.

2.1.3. Nature of the account

Campus program accounts are established for a specific purpose. The California Education Code outlines specific situations (i.e. criteria) under which revenues received may be deposited in campus program funds. The purpose of the Campus program along with the source of funds is essential in determining whether the activities qualify as Campus Program Fund. **Please attach any documents that add clarification to this issue.**

Some of the most common account purposes are listed but not limited to the list bellow:

1. Instructional
2. Research
3. Public service
4. Academic support
5. Student service
6. Institutional support
7. Scholarships – Special Event (Must use University's "Special Event Fundraising" Form)
8. Hospitality

Please note: no general fund monies may be used to generate the revenues for any type of account.

2.1.4.Duration of the account

When a Campus Program Fund is established for an on-going activity, then the campus program account has no time constraints. Alternatively, if the Campus Program Fund is requested to accommodate a specific "one-time" or "limited-time" activity, an estimate of the duration of the account is required. The indirect cost accounts always have duration periods since they are created for specific contracts or grants. The duration for a scholarship fund raising event accounts cannot exceed 120 days.

2.1.5 Authorized signatures

The account manager is authorized to approve expenditures from the account. In addition he/she may designate up to **four** persons to have the same authority. The Account manager is responsible for updating authorized account signatures and informing UAS of personnel changes. All signatories

will be approved by one-up (next level) of the account manager. All reimbursements also require one-up (next level) approvals.

2.1.6 Disposition of remaining funds

Each Campus Program fund account agreement must identify the requirements for the disposition of remaining funds when the account is closed. This is to assist UAS when activities cease for an account. Should analysis reveal that the Campus Program has been inactive for a significant period of time (at least one year); UAS may ask the account manager to approve the inactivation of the Campus Program. In this case, any remaining net balance in the Campus Program will be disposed of per the instructions in the agreement. As a general rule, remaining balances will be transferred to the University's General Fund as Miscellaneous Revenue. However, if there are other requirements (by the donor, grant/contract) that identify the specific disposition of funds, those requirements must be met. Although the Campus Program funds are not part of the university general fund money, funds donated are still considered state money.

2.2 Application Process

A "Campus Program Account Application and Agreement" form can be obtained from the UAS' website at http://calstatela.edu/univ/uas. The Account Application requires the review and approval of the Director/Dean. If the Director/Dean is to be an account approver, the Provost or the President needs to approve the signatories. Completed applications are forwarded to the UAS administrative offices on the third floor of The Golden Eagle building.

The application also requires the review and approval of an officer of the UAS before an account is established. Once all approvals have been obtained, a six digit account number will be assigned. At this point the account director is notified. The following discusses in detail each component of the application:

2.2.1 General Information

a. **Project Name** – Name used for the account. The project name can be a combination of the department name and the purpose of the fund. (i.e. English Department's Writing Project) There are no restrictions on the name used.

b. **Is this a revision to an existing account?** Most revisions to an account, including signatory changes, restriction changes and etc.

Require a new agreement form. Mark the "Yes" box if this is to revise an existing account. Please provide the project name.

c. **Is this account associated with a contract and Grant award?**
This allows UAS to anticipate additional documentation from the Contract and Grants department.

d. **Project number** – This is assigned by UAS, unless the application is being used to revise the account's terms. For revisions, an existing account number is required. Otherwise, please leave the field blank.

2.2.2 Account Holder Information

The Account requestor completes this section, which includes name, title, school and department.

2.2.3 Account Types

- The various types of accounts are listed in this section of the application. Only **one** can be selected. Restricted and internally designated accounts require additional detail. Any restrictions must provide supporting documents and need to be explained in detail in this section. If the information provided is insufficient, UAS may return the application for additional information.
- Unrestricted accounts are less complex to administer and give the account managers the flexibility to spend the funds as outlined in the agreement.

2.2.4 Account Details

- **Source of funds** – various income sources are listed in this section. One or more can be selected in this section.
- **Nature of Operations** – This section defines the purpose of the account. One or more can be selected. In addition to the selection a detailed explanation is required. If the information provided is insufficient, UAS may return the application for additional information.
- **Types of expenditures allowed** – In this section, the types of expenditures are identified. Expenditures can either be operational or Payroll. Please explain each in detail. It is highly recommended to use the University Human Resources services for payroll needs. UAS will reimburse the University for the Payroll Expenses through a Purchase Order. UAS will consider payroll administration for special cases.
- **Anticipated Duration of account** – If the account is a one time or limited time account, then state a duration period or future date in this section. If the account is an ongoing account please write "**indefinite"** in the space provided.

- **Disposition of account balance at expiration** - this section requires specific instructions on how UAS should dispose an inactive account balance. If there are no restrictions by the donor and no disposition instruction exists, then the inactive account balances will be transferred to the university general funds.
- **Monthly Statement routed to** – This section instructs UAS on who should receive the monthly account statement.

2.2.5 Authorized Signature

This section identifies and documents signatories of the accounts. The number of signatures required on expenditure requests must be stated in this section. In addition sample signatures of the authorized persons (no more than 5 including the account manager) are required. All authorized persons must be employed by UAS or Cal State L.A..

2.2.6 Signature approval

The account manager's one-up (next level) must approve all of the authorized signatures. This approving person can either be the Dean of the school, the Chairman of the department, or the provost.

2.2.7 Campus Program agreement signature

This is the section where the account manager agrees to the terms and conditions to this handbook and on the completed application. It requires the account manager's name and title, the date and his/her signature.

3. Deposits

3.1 Deposit Policies

The account managers are ultimately responsible for the funds and revenues. Upon receipt of funds, the account manager or designated person will process the deposits. Below is a list of procedures derived from the UAS cash management department and the Office of Vice President for Administration and Finance. All procedures will be strictly monitored and enforced.

- Checks payable to the University will be transferred to the University's Business Financial Services Office for handling.
- The Account manager is responsible for ensuring that cash receipts are deposited in a timely manner;
- UAS will not accept post or stale-dated checks.
- General fund and fee income (IRA) must be administered by the University's Business Office and may not be deposited in UAS accounts.
- Deposits of gifts and donations must be properly identified for receipting and reporting.
- State law mandates individual donations of $75 or more to be accompanied by the donor's detailed identification information. In addition to donor identification, gifts over $75 accompany a letter stating the intent on usage. Gifts without a letter will be undesignated and expenditures limited to university policies. UAS is required to provide a written disclosure to the donor setting out the fair market value of the goods and services received, and informing the donor that only the portion of the purchase that exceeds this fair market value is tax-deductible.
- All checks must be endorsed the same business day.
- Collected receipts totaling $10,000 or more must be deposited to UAS the same business day.
- Collected receipts totaling less than $10,000 must be deposited to UAS within 10 business days.

- Departments not having suitable secured storage (i.e. safe or strong boxes) must deposit their total collected receipts the same business day.

- Each department/college is responsible for reconciling deposits made to its account.

- Each department/college is responsible for maintaining proper records for all its collections.

- Collected receipt not required to be deposited the same business day must be properly stored in a secured area.

3.2 Deposit Procedure

- The department will complete a Deposit Form downloaded from UAS' website. Detailed instructions on completing the form is also included.

- Confirm all checks are made payable to Cal State L.A. or UAS, and contain sufficient information to permit tracing of the donor (i.e. address, phone number)

- All donations over $75 require the donor's information, including the name, address, and tax ID number or Social Security number.

- Separate accounts are established for restricted accounts, under the same department/college. Separate Deposit Forms must be used for different accounts.

- The monies will be attached to the Deposit Form, and then placed in an envelope.

- The deposit envelope will be **hand-delivered** to UAS' accounting office on the third level of Golden Eagle building.

- **A UAS official's verification is required on all cash deposits. Please do not drop off cash without proper verification. Cash deposits without attached receipts will be returned immediately**

- Upon cash verification, the envelope is deposited into a safe drop box, at the front desk.

- Credit Card deposits must include:

1. Type of credit card (i.e. Visa, MC, or American Express)
2. 16 digit account number clearly indicated.
3. Expiration date (mm/yy) included
4. Cardholders Name
5. Cardholders signature

- The deposit is verified by UAS for campus program agreement compliance and allowable fund source.

- UAS will deposit funds within 24 hours of receipt after which the funds will be available for use.

- If checks are returned for any reason, the campus program account **will be charged the fee** that the UAS is charged by its bank. The returned check will be mailed to the Account Manager. UAS will not attempt to collect on returned checks.

4. Disbursements

All Purchase requisitions involving expenditure of campus program funds will be reviewed by UAS to assure the expenditure comports with the purpose of the campus program, that it is properly authorized, and funds are available. UAS will review campus program accounts every month to ensure all accounts retain positive balances and are as actually stated. Campus Program accounts are appropriated without regard to fiscal year. (Educ. Code §89724(a))

A separate Expenditure Handbook can be viewed on the UAS' website. Please refer to it, as part of this handbook. The Expenditure Handbook must be read before signing the campus program agreement form. By signing the agreement the account manager and approver certify that they have read, understood and accepted the terms and conditions stated in both handbooks.

4.1 Restrictions

UAS is fiscally responsible for **all** expenditures made from any accounts under its purview. Hence it is the UAS' responsibility to monitor all campus program expenditures to be sure it benefits the educational mission of the CSU, and is compliant with the campus program agreement. Below are some restrictions to campus program fund expenditures:

- Campus Program account funds may not be used for administrative or overhead cost of the department/college.
- All expenditures must be supported by original documentation that is specific as to date, purpose, and evidence of purchase (e.g. receipt, invoice, or invoice/certification of services performed).
- Expenditures not properly approved will be returned to the account manager. (Refer to the Signature authority section in this handbook).
- Negative balances are not allowed and must be corrected within 30 days. After 30 days, the Dean and Campus CFO will be notified.
- Restricted accounts, including indirect cost accounts, have expenditure limitations based on the donor's precincts.

Other Allowable/unallowable expenditures set by UAS and the University	
Type of expenditure	**UAS Policy**

Personal expenditures	**Always not allowed**
Local meals when university business related with visitor, guests, job candidates, students, advisory committees, industry committees, search committees, college/department retreats, seminars, colloquiums, working/planning/staff meetings, open house, receptions speakers, lecturers, artists, performers, etc. (payments are usually due to restaurants, caterers, grocery stores or reimbursed to an individual).	Allowable
Local or out-of-state meals for official University visitors, guests, job candidates, or students in excess of state meal regulations.	Allowable
Overnight accommodations within 25 miles of home or office	Allowable (see footnote 1)
Overnight accommodations for official visitors and job candidates within 25 miles of home or office.	Allowable
Expenditure for travel/hotel/meals beginning more than 24 hours in advance of start of conference/seminars	Allowable (See footnote 1)
Business related entertainment among peers	Allowable
Business related entertainment at home for official guests of the university	Allowable
Department sponsored campus entertainment for official guests of the university	Allowable
At home, department or campus sponsored for office morale	Allowable
Alcoholic beverages	Allowable (See footnote 2)
Coffee Service for campus offices	Allowable

Non-meal expenses at official functions where attendance requires event tickets, cap and gown rental, tuxedo/gown rental, etc…	Allowable
Non-meal expenses for official visitors at official functions where attendance requires event tickets, cap and gown rental, tuxedo/gown rental, etc…	Allowable
Non-cash gifts, flowers, employee receptions, new recruits, retirements, illness, hospitalization, cards or funeral flowers	Allowable
Plaques, flowers, and parties for others	Allowable
Plaques, certificates of achievements, similar recognition events for staff	Allowable
Non-cash gifs/awards to non-employees for business/public relations purposes: campus event tickets, plaques, certificates, gifts or cards	Not allowed
Memberships of staff/faculty to professional organizations	Allowable
Personal use of club memberships	Allowable

NOTE: (1) Travel Approval form required (2) Vice President must approve, designee not allowed to approve

4.2 Signature Authority Policy

UAS follows the University and Auxiliary fiscal policies of One-Up (next level) for all signature authority policies. The account manager's reimbursements may not be approved by him/herself or someone under his/her authority. **The next level up must approve all reimbursements due to the account manager.**

4.3 Payroll

Payroll administration is not allowed as expenditure with campus program accounts unless defined in an MOU with the university. It is UAS' recommendation to use the University Human Resources for personnel and payroll needs. The university will be reimbursed through a purchase order.

5. Financial Reporting

A monthly statement will be mailed to the account manager or designee. The campus program account's report is called: "Summary of Balance sheet Transactions". This report also includes a summary and details of all revenues and expenses.

The Cal State L.A.' Vice president of finance (campus CFO) will receive an "Campus Program Accounts Fund Balance Report" on a quarterly basis. Every account is identified by project title, balance of funds, source of funds and department.

In addition the UAS' Management will review account balances on a monthly basis.

Any questions about the statements should be directed to the UAS' Financial Analyst.

6. Revising or Closing Accounts

6.1 Revisions to the account

Any changes (i.e. new authorized signers) to the campus program will require a new campus program application and agreement form. A new form must be downloaded and completed. In addition a separate sheet explaining the specific change and the reason for the change is required. Revision forms without an explanation will be returned to the account manager.

6.2 Closing a campus program account

There are two ways a campus program account can be closed:

1. Involuntary
    a. The account has been inactive for over one year and a balance of less then $500. The account will be closed and the remaining funds will be distributed as indicated in the terms of the agreement.
    b. Zero or negative balance for over thirty days. – The campus CFO will be notified and the UAS will bill departments for the negative amount.
2. Voluntary
    a. The account duration has expired. Any remaining funds will be disbursed to the funding agency or university general fund, based on the campus program agreement.

b. Account manager requests the account closure in a written document. Any remaining funds will be disbursed to another account or university general fund.

7. UAS Fees

UAS charges the accounts a 7.5% administrative fee, which is computed on discretionary Gross Revenue. Administrative fees are charged for the sole purpose of covering the cost of administering these funds. The services provided for fees include: accounting, investment, cashiering, account receivable, purchasing, accounts payable, personnel and payroll (if any). All other services are provided as an expenditure of funds.

UAS has waived the 7.5% fee on scholarship fund raising event accounts. The duration for a scholarship fund raising event account cannot exceed 120 days. At the end of 120 days the balance in a scholarship fund raising event account is transferred to The CSLA Foundation – Scholarship Fund.

8. Investing the Campus Program Account Funds

Funds deposited in the campus program accounts are invested in accordance with the CSU policy. This policy's investment objectives are safeguarding principal, maximizing fund liquidity and providing the best possible rate of return. The CSU has chosen as a matter of system wide policy to place all the revenues in campus program accounts to be invested by a financial institution approved by Cal State L.A. and UAS board of directors.

All cash earnings, such as interest and dividends resulting from the investment of these funds are distributed on a prorated share of each account with quarterly average balance of $10,000 or more**.**

All growth earnings, such as increased market value are held centrally until invested securities are sold and then distributed as cash earnings.

9. Forms

The following forms (PDF Files) can be downloaded form
http://www.calstatela.edu/academic/orsp/Forms%20and%20Templates.htm

1. Campus Program account application/agreement form
2. Check Requisition Form
3. Expense Reimbursement Detail (Optional)
4. Services Rendered Form
5. Travel Approval Form
6. Travel Expense Claim Form
7. Purchase Order Requisition
8. Payroll forms
