



Business Matters @ Sac State

Topic: E.O. 919 Transfer of Agency Funds from University Foundation to the University

Date: February 1, 2007

To: Deans, Associate Deans, Department Chairs, Directors, Managers and Campus Business Partners

From: Justine Heartt, University Controller

As a part of the resolution of the Chancellor's Office Auxiliary Audit, #05-49, those University Foundation funds which are not qualified to be held by an auxiliary are being transferred to the University. If you are new to University Accounting, please come to a CMS Finance Open Lab for tutoring (schedule is located at http://www.csus.edu/cms/training/finance84/f84_lab_schedule.stm). Below are some helpful points on how the new funds (fund numbers beginning with TX) will be administered as well as processing guidelines.

Guidelines for Administration and Use of Transferred University Trust Funds (TX####)

Fund Administration

• **Specification Sheets**

Completed Specification Sheets are required before the new fund is fully active. The draft specifications mailed out in early January are to be corrected by hand as necessary, then returned to Accounting Services for processing at zip 6080. Please don't have anyone sign the drafts.

Signature authority for University funds is completely automated, so the "check request signers" will not be signing the specification sheets. Only the Program Center head (academic Dean or a Vice President) will sign the specification sheet. Disbursement authority is dependent on your CMS security clearance by DeptID.

• **Reimbursed Activities / Speedtypes**

Outstanding CSUS invoices for pre-January '07 charges are in the process of being converted to expenditure transfers. Please do not attempt to pay any CSUS invoices; if you have a question about the conversion to expenditure transfer, please call Sara Niekamp at x87436 or Pat Vercruyssen at x87437.

Good News - reimbursed activities ChartStrings (began with MDR01) will no longer be necessary. Instead, use the complete expense ChartString beginning with your new fund number, TX###.

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The old speedtype numbers have been updated to route on campus service charges directly to your new TX### fund.

- **Management fees**

The University Foundation policy for management fees is to charge 5% of most revenues. The University policy, in contrast, charges 7% of expenditures. The cash balances that are transferred from the University Foundation will be exempt from the University's management fees, since the Foundation had already levied charges against that money. The University will only begin levying management fees on expenses after the transferred cash balance has been spent down.

Processing Guidelines

- **Receipts** for these funds can be treated as follows:

Gifts: Complete the Gift Acceptance Form (GAF) and forward the check and GAF to Marisa Rollin in the Development Office, zip 6030.

Non-gift revenue: Take the check/cash/credit card information directly to SFSC in Lassen Hall room 1001 for receipting. The CMS ChartString will be your new Fund number, Account #580090, and your DeptID.

Interest: Cash in these Funds continues to be invested per the CSU Investment Policy (the University Foundation had followed these same rules). Sac State posts interest income quarterly.

- **Disbursements** - to facilitate the transition, disbursements processing ...

Through March 31, 2007, any allowable disbursement (up to \$5,000) may be made using the University's Direct Payment Request form, rather than by entering a requisition. (With the exception of equipment items.) Payee Data Records (Form 204's) are still required to set up new vendors for payment.

As of April 1, 2007, all requests for disbursements will follow normal University procurement guidelines. These Special Funds have more flexibility for Business Hospitality expenses. Enter requisitions in CMS for most types of disbursements, and the Direct Payment Request (DPR) form will be used only for those expenses listed on that form up to \$5,000 maximum. The DPR form is located at <http://www.csus.edu/aba/forms.htm>.

Please submit DPR's and invoices to Accounts Payable for processing.

If there are any questions or concerns, please contact either myself at hearttj@csus.edu (ext. 87440), or Pat Vercruyssen at vercruyssen@csus.edu (ext. 87437).

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