



The University Corporation
Research, Investments and Commercial Services
California State University, Northridge

Procedure Number: AC037

Date: April 10, 2012



John Griffin, Chief Financial Officer

Title: Processing payroll for university units

Statement:

The University Corporation (TUC) processes payroll for a small number of university departments. These departments have two options for covering the cost of payroll and services:

- Option 1: Utilize University Department funds;
- Option 2: Utilize funds held by the Foundation.

This procedure documents the steps required to process payroll under both options.

Procedure:

Option one – Utilize University Department Funds

1. Department contacts TUC about hiring and paying employees through TUC.
2. TUC forwards Payroll Services Agreement (*Attachment 1*) to the department.
3. Department completes and signs the Payroll Services Agreement, completes a university MOU (*Attachment 2*), and submits both forms to TUC.
4. TUC signs the MOU and forwards it to university Office of Financial Services.
5. Office of Financial Services assigns MOU number and distributes MOU copies to the department and TUC.
6. TUC provides MOU copies to TUC Accounts Receivable and TUC Human Resources.
7. Department submits timesheets to TUC and TUC processes payroll. TUC Payroll provides information to TUC Accounts Receivable.
8. TUC Accounts Receivable bills university for the cost of payroll and services, referencing the assigned MOU number.
9. University processes TUC invoice, issues check to TUC, and draws down the university account holding department funds.

Option two – Utilize funds held at University Foundation

1. Department contacts TUC about hiring and paying employees through TUC. TUC provides to the department: a TUC Payroll Services Agreement (*Attachment 1*); a TUC Agency Fund Request (*Attachment 3*); a Foundation Labor Authorization Form (*Attachment 4*); and a Foundation Check Request Form (*Attachment 5*).
2. Department completes and returns to TUC the Payroll Services Agreement and the Agency Fund Request.
3. TUC places the completed Payroll Services Agreement in the agency fund control file.
4. TUC forwards the completed Agency Fund Request to the University Office of Financial Services for approval. The approved Agency Fund Request is returned to TUC and placed in the agency fund control file.
5. TUC Associate Director of Accounting opens a new agency fund on PeopleSoft.
6. Department completes the Foundation Check Request and the Foundation Labor Authorization Form and submits to the CSUN Foundation for review and approval.
7. Foundation forwards the approved Foundation Labor Authorization Form to TUC along with a check issued to TUC for payroll and related service fee.
8. TUC deposits check into the department's TUC agency fund.
9. TUC commences with processing payroll and charges payroll and payroll services to the department's agency fund each month.
10. TUC personnel monitor the agency fund balance and notify the designated department contact person when funds need to be replenished.
11. At the end of the payroll processing period, TUC returns any unused funds to the Foundation, if the department needs no further payroll processing.
12. If the department wishes to continue the payroll services agreement for another period, the procedure will repeat, beginning with step number 6.

Attachments

Attachment 1 – TUC Payroll Services Agreement

Attachment 2 – University Memorandum of Understanding (MOU)

Attachment 3 – TUC Agency Fund Request

Attachment 4 – CSUN Foundation Labor Authorization Form

Attachment 5 – CSUN Foundation Check Request



Payroll Service Agreement

Agreement Period:
Employee:
CSUN Center/Department ("Department"):
Contact Name and Extension:

1. **INTRODUCTION:** This agreement is between the "Department" listed above and The University Corporation ("TUC").
2. **PURPOSE:** The purpose of this agreement is to describe the conditions under which TUC will provide payroll-related services to Department.
3. **TERM:** This agreement is effective for the Agreement Period indicated above or until otherwise revised or terminated. This agreement may be terminated by either party with ninety (90) days notice in writing.
4. **SCOPE OF SERVICES:** For the consideration described in Section 5 below, TUC will provide Department the following services:
 - Processing of new hire paperwork
 - Processing of status and/or rate changes
 - Preparation and distribution of payroll checks
 - Withholding and remittance of Federal, FICA, State and unemployment taxes
 - Preparation and distribution of W-2 forms
 - Workers compensation insurance coverage
 - Health insurance administration for qualified employees
 - Retirement fund administration for qualified employees
 - Guidance on human resources issues.
5. **FUNDS ON DEPOSIT REQUIREMENT:** If Department wishes to utilize funds held by the California State University, Northridge Foundation ("Foundation") for payment of payroll-related services, Department must open an agency account with TUC and must arrange for sufficient funds to be transferred from Foundation account/s into TUC account in advance of TUC performing payroll services. If Department wishes to utilize funds held in California State University, Northridge ("University") account/s, Department must initiate a memorandum of understanding (MOU) with University for payment of payroll and payroll-related services provided by TUC.

6. **CONSIDERATION:** Department shall pay TUC the following for payroll-related services: ten dollars (\$10.00) per payroll check issued by TUC plus sixty dollars (\$60.00) per month per full-benefits-eligible employee.

If Department has TUC agency account, TUC will draw funds from Department's agency account on a monthly basis for services provided and payroll and benefits costs.

If Department has a University MOU, TUC will invoice University on a monthly basis for services provided and payroll and benefits costs.

7. **TERMS & CONDITIONS:** The following conditions apply:
- a. This Payroll Agreement represents the complete agreement of the parties hereto. Modifications to this agreement may be made by mutual, written agreement.
 - b. It is agreed that TUC is expected to make a "full cost" recovery for payroll and benefits costs and services provided under this agreement.
 - c. TUC Procedure Number AC037, *Processing payroll for university units*, is appended hereto and incorporated into this agreement.
 - d. Additional services not covered by this Payroll Agreement will require a separate, written agreement.

8. **INDEMNIFICATION:** TUC agrees to indemnify, defend, and save harmless the State of California, the Trustees of the California State University, the California State University, Northridge and the officers, employees, volunteers and agents of each of them (all of which are hereinafter referred to as "State") from any and all loss, damage, or liability that may be suffered or incurred by State, caused by, arising out of, or in any way connected with the operations of TUC.

Department agrees to indemnify, defend, and hold harmless The University Corporation, its directors, officers, agents and employees from any and all loss, damage or liability that may be suffered or incurred as a result of the operations of the Department, provided, however, that such loss, damage or liability did not arise from the intentional or negligent acts or omission of the Corporation, its directors, officer, agents or employees.

9. **ACCEPTANCE:** The parties to this Payroll Agreement have accepted this agreement as representative of their mutual intent and understanding as of the date of execution.

Department: _____

The University Corporation:

Responsible Manager:

Print Name: _____

John Griffin, Chief Financial Officer

Date: _____

Date: _____



MOU WORKSHEET
BETWEEN AN AUXILIARY CORPORATION
AND A CAMPUS ENTITY
FY: _____

MUST BE ATTACHED TO ALL MOUs:

REVENUE: AUXILIARY SERVICE PROVIDER

ACCOUNT: _____ FUND: _____ DEPT ID: _____ PROGRAM: _____ CLASS: _____ PROJECT: _____ AMOUNT:\$ _____

ACCOUNT: _____ FUND: _____ DEPT ID: _____ PROGRAM: _____ CLASS: _____ PROJECT: _____ AMOUNT:\$ _____

Note: Auxiliaries should use Auxiliary chartfields. Complete the worksheet for all lines that are specified in this MOU.
Attach additional pages as necessary.

Financial Approver: _____ Print Name: _____ Date: _____

Department Contact: _____ Ext: _____ Email: _____

EXPENSES: CAMPUS SERVICE RECIPIENT

ACCOUNT: _____ FUND: _____ DEPT ID: _____ PROGRAM: _____ CLASS: _____ PROJECT: _____ AMOUNT:\$ _____

Financial Approver: _____ Print Name: _____ Date: _____

Department Contact: _____ Ext: _____ Email: _____

MOU Number _____

(For Auxiliaries use only)

DO NOT SEND TO FINANCIAL SERVICES

TUC Agency Fund Application Form

ATTACHMENT 3

Description _____

Source of Income _____

Expenditure
Categories _____

Fund Life _____

Reporting
Requirements _____

Disposition of Funds _____

Authorized Signatures	Printed Name	Signature	Date
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

AVP/ Financial Services _____

Asst. VP/Foundation
(if applicable) _____

Description of Fund

Please indicate the use of the agency fund and be as descriptive as possible.

Source of Income

Please provide a detailed description of income sources, recognizing that only funds identified in the categories above may be accepted for deposit into an agency fund. For example, TUC cannot accept donations, gifts, bequests, or funds generated from any source within the General Fund.

Expenditure Categories

Please indicate the type of expenditures that will be made from this agency fund. Disbursements from an agency fund should be made only for the purpose for which the agency fund was established. No payroll will be paid through agency funds unless related to a Sponsored Project.

Fund Life

Please supply the approximate date the fund will close.

Signatures Required to Establish Fund

The application must be dated/signed by the Fund Holder (the person to whom reports and correspondence will be addressed) as well as that individual's manager. The AVP for Financial Services also must approve the application, indicating that the fund meets one of the purposes specified above.

Disposition of Funds

Please indicate where remaining balance should go if the fund ever becomes inactive.

****NOTE** Funds held in trust by The University Corporation are not allocated investment income, nor do they participate in any investment loss. Your signature on the form below is your confirmation that you understand that TUC may invest the funds received and retains any investment income, as well as assuming the risk for any investment loss.**

Labor Authorization Form

Purchase – Order No. _____

To be filled in by Foundation

To: The University Corporation

From: California State University, Northridge Foundation

Date: _____

Authority is hereby given to The University Corporation to issue payroll checks for the below-listed individuals.

Foundation Account #: _____

Total Gross Wages for Individuals below: _____

Period From: _____

To: _____

Minimum of 1 Quarter time is required

Plus Benefit 25% of wages: _____

Total Authorized: \$ _____

Names of individuals to be paid:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

Both Signatures are required for Processing

Authorized by: _____

Print (Clearly)

Account Director Signature

MARs/Dean

Foundation Officer Signature

This form must be filled out completely & submitted 2 working days before pay period ended by 2:00 PM to the Foundation. Forms turned in after 2:00 PM will be processed on following pay period.

Today's date is: 7/5/2012

FOUNDATION
Check Request Form

CSUN FOUNDATION
TEL NO: (818) 677-4657
FAX NO: (818) 677-4823
MAIL DROP: 8296

Date: MM/DD/YY

Reference #: _____

Amount: \$ _____

Amount in Words: _____

Payee Name: _____

Mail Drop: _____

Payee is: FACULTY STATE/UNIV CORP EMPLOYEE CSUN STUDENT OTHER

Payee Address: _____

Brief Explanation of Expenditure: (must relate to account purpose)

Charge to Fund Name: _____

ACCOUNT: _____ FUND: _____ DEPT ID: _____ PROGRAM: _____ CLASS: _____ PROJECT/GRANT: _____

NACUBO Classification: INSTRUCTION RESEARCH PUBLIC SERVICE
 ACADEMIC SUPPORT STUDENT SERVICES INSTITUTIONAL SUPPT SCHOLARSHIPS

(PLEASE CONSULT YOUR MAR/FINANCIAL MANAGER TO ENSURE THESE BOXES ARE CHECKED CORRECTLY)

This Check Should Be: MAILED TO PAYEE HELD FOR PICKUP CSUN MAIL DROP

Questions? Please call:

NAME OF CONTACT PERSON: _____ PHONE: _____ EMAIL: _____ MAIL DROP: _____

Signature: _____

Print Name: _____

Date: MM/DD/YY

Signature: _____

Print Name: _____

Date: MM/DD/YY

Signature: _____

Print Name: _____

Date: MM/DD/YY

Reviewed By: _____ Check Received By: _____

IMPORTANT: ORIGINAL RECEIPTS AND INVOICES MUST ACCOMPANY EACH CHECK REQUEST. A W9 FORM MUST BE SUBMITTED FOR ALL NEW VENDORS. AN INDEPENDENT CONTRACTOR FORM MUST BE SUBMITTED WITH EACH REQUEST FOR SERVICES PROVIDED BY AN INDIVIDUAL OR UNINCORPORATED COMPANY. FOR REIMBURSEMENTS FOR EVENT RELATED EXPENSES, PLEASE INDICATE THE PURPOSE OF THE EVENT, THE DATE, A LIST OF ATTENDEES, AND ATTACH A COPY OF THE INVITATION/FLYER. FOR HOSPITALITY EXPENSES OVER \$500, COMPLETE THE HOSPITALITY EXPENSE FORM. FOR AN INVOICE PAYMENT REQUEST, PLEASE MARK THE INVOICE "RECEIVED" WITH SIGNATURE AND DATE. FOR ALL SCHOLARSHIPS AND STUDENT AWARDS, PLEASE USE THE DEPARTMENT REQUEST FOR FUNDS FORM FOUND ON THE FINANCIAL AID WEBSITE. (1/10/05)