

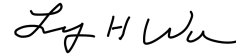
Procedure Number: AC010

Date: May 10, 2004

Revised: July 25, 2011

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Revised: Dec 4, 2022



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Lih Wu, Chief Financial Officer

Title: Procedure for establishing a TUC agency fund.

Statement:

This procedure provides guidance to the CSUN campus community regarding the establishment and operation of agency (Trust) funds held at The University Corporation (TUC).

Procedure:

- A. Faculty/staff member submits a completed TUC agency fund application to the Associate Vice President of CSUN Financial Services (AVP) for approval.
- B. AVP reviews the application to ensure that all the requirements are met. In particular, a determination is made regarding the validity of the fund as something that can be established at TUC rather than established in the State Trust. An agency fund application will be considered complete and acceptable when:
  1. All required information has been provided (see application form and instructions).
  2. It has been dated/signed by the fund holder and the manager to whom the fund holder reports to.
  3. It has been approved by the AVP as meeting the criteria for a TUC agency fund.
- C. The approved agency fund application is forwarded to TUC.
- D. TUC Accounting personnel creates an agency fund. TUC Accounting personnel will review all requests for expenditures (purchase orders, check requests and payroll) and verify that the fund has available money and that the signature on the documents is indeed that of the fund holder or the approved designee. Staff will also review the request for reasonableness and the proper backup to support the expenditure. It is the responsibility of the fund holder to act within the guidelines set out in the application document and to follow all TUC policies and procedures as they pertain to payroll and other expenditures. TUC will provide activity reports monthly or upon reasonable request of the fund holder. These reports will reflect year to date activity in addition to the remaining available fund balance.
- E. Agency funds cannot be in a deficit position, although TUC may allow certain exceptions if it is due to the timing of the fund transfer. When the fund is ready to close the fund holder should request the closure with TUC.

- F. TUC Accounting personnel will close agency fund when notification is received from the respective fund holder. The system generated fund numbers for Agency fund with \$0 fund balance can be re-used for the same college following the application approval process.

### **TUC Agency Fund Application Instructions**

Agency funds may be established at TUC for one of these purposes only:

1. An activity that is an integral part of a sponsored project administered by TUC generates minor amounts of revenue (usually fees for services). Balances in this type of agency fund can be used only for TUC payroll and other expenses related to the activity or related sponsored project. This type of agency fund will be charged an administrative fee equal to 8% of deposited funds, unless restricted by legal or regulatory provision.
2. Funds have been set aside under policies approved by the Board of Directors of TUC for disposition at the direction of the campus President. These funds will be transferred to campus Reimbursed Activities funds to reimburse specific expenditures approved by the President. Deposits to this type of fund will not be charged an administrative fee.
3. Another CSUN auxiliary corporation has contracted with TUC to administer their funds.
4. Campus departments requesting TUC payroll and related services. The costs for these payroll and related services will be reimbursed by funds transferred from department funds at the Foundation or by agency accounts held at TUC.

### **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 and signed by the Fund Holder (the person to who reports and correspondence will be addressed) as well as that individual's manager. The AVP of CSUN 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.**

**TUC Agency Fund Application Form**

Description \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Source of Income \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Expenditure  
Categories \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Fund Life \_\_\_\_\_

Reporting  
Requirements \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Disposition of Funds \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

AVP/ Financial Services, CSUN \_\_\_\_\_

Asst. VP/Foundation, CSUN \_\_\_\_\_  
(If applicable)