

**CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
UNIVERSITY STUDENT UNION, INC.**

**FISCAL POLICY AND PROCEDURE**

**SUBJECT:** Cash Flow Management

**REFERENCES:** N/A

**POLICY:** A cash flow projection is a forecast of funds a business anticipates receiving and paying out throughout the course of a given period of time and the anticipated cash position at specific times during the period being projected.

Prudent cash flow management will allow the USU to maximize interest income, minimize bank service charges, and prevent bank overdraft charges.

USU cash flow is generated primarily from the following sources:

1. Student fees
2. Commercial subleases
3. Rental of meeting rooms & equipment
4. Summer Camp
5. Food service sales agreement.
6. Interest income

The USU will maintain a cash flow analysis report for both the operating account and payroll account to ensure there is always sufficient cash on hand to meet operating requirements.

**PROCEDURE:** The Associate Director, Finance & Business Services and the Accounting Manager/Supervisor will meet to determine the following week's cash flow requirements by reviewing the cash flow analysis report for the operating and payroll accounts.

Projected cash deficits for the week will be funded by either (1) transferring cash from the USU's local money market account to the operating/payroll account or (2) depositing funds from the USU's Local Agency Investment Fund administered by the campus. Cash in excess of operational requirements will be transferred to the local money market account from the operating/payroll accounts in order to earn interest.

The Associate Director, Finance & Business Services and the Accounting Manager/Supervisor are responsible for initiating transfers between local USU bank accounts.

*Recommended by the Finance Committee on November 05, 2007*

*Approved by the University Student Union, Board of Directors on November 19, 2007.*