

## AGENCY FUND PROCEDURES

It is the responsibility of those individuals or organizations requesting and using agency funds to be aware of and to comply with these procedures and the related policies.

### I. ESTABLISHING AGENCY FOAPAL

- A. Approval for establishment of an agency fund should be requested by memo to the Director of Accounting and Financial Services. The memo should include:
1. Name and type of organization and purpose of FOAPAL.
  2. Name and position of faculty/staff sponsor authorized to approve disbursements.
  3. Funding source(s) of the FOAPAL (donations, membership dues, fund raising, etc...)
  4. Any other relevant information requested by the Director of Accounting and Financial Services.

An "Agency Fund Agreement", signed by the sponsor, must accompany the above request.

### II. DEPOSITS

- A. Deposits to the FOAPAL are to be made through the University Cashier's Office, using the University's Cash Transmittal Form (go to the Forms Central link under the Admin Tools tab on myGate for a copy of the Cash Transmittal Form). The source of money deposited should be indicated on the Cash Transmittal Form (dues, fees, fund raising, etc.). The Agency FOAPAL is to be listed on the back of all checks deposited.
- B. Any checks returned by the bank for any reason, and uncollectible, will be charged against the Agency fund; the checks will be given to the faculty/staff sponsor of the Agency FOAPAL, who will then be responsible for collecting the funds.

### III. DISBURSEMENTS

Disbursements from the FOAPAL will be made by an accounts payable clerk in Accounting and Financial Services. Disbursements will not be made in excess of the cash balance in the Agency FOAPAL.

- A. Checks are to be requested on an Agency Payment Request form (available from the Forms Central link under the Admin Tools tab on myGate), signed by the faculty/staff sponsor. The faculty/staff sponsor should keep a copy of the Agency Payment Request form for bookkeeping purposes.
- Requests for checks must be submitted by 10:00am at least 1 working day prior to the time the checks are needed.
- B. Most charges for University provided services will be paid on an Inter-Account Bill form (available from the Forms Central link under the Admin Tools tab on myGate), signed by the faculty/staff sponsor. The faculty/staff sponsor should make a copy of the Inter-Account Bill form for bookkeeping purposes.

Some University charges are transferred directly to the accounting system (without using Inter-Account Bills), these entries will automatically be charged against the Agency FOAPAL. Each of these entries will appear on the month-end account statements for the Agency FOAPAL.

If there are any questions, please contact Accounting and Financial Services at 4173.

**Accounting Use Only**

FOAPAL: 1 – M\_\_\_\_ - M\_\_\_\_ -x-90600

**AGENCY FUND AGREEMENT**

This agreement between Murray State University and \_\_\_\_\_ (Organization) sets forth the responsibilities of each in the administering of funds received, disbursed, and held by the University as agent for the Organization.

**RESPONSIBILITIES OF THE ORGANIZATION**

1. Deposit only non-University funds in the Agency FOAPAL.
2. Use the Agency FOAPAL only for the purposes stated when the FOAPAL was originally established. Notify the Director of Accounting and Financial Services, in writing, of any changes in the purpose of the FOAPAL, the use of the FOAPAL, or the change of faculty/staff sponsor.
3. Request disbursements from the FOAPAL only by authorization of the faculty/staff sponsor(s) signing below. The exception to this will be automatic accounting charges.
4. Make check requests by 10:00am at least one work day prior to the time the checks are needed.
5. Will not disburse funds for amounts in excess of the Agency FOAPAL's balance.
6. Maintain files of all deposit and disbursement documentation, including Cash Transmittal Forms and Agency Payment Request Forms.
7. Notify the Director of Accounting and Financial Services of any changes in sponsorship.

**RESPONSIBILITIES OF THE UNIVERSITY**

1. Accept and record funds deposited into the Agency FOAPAL.
2. Disburse and record funds expended from the Agency FOAPAL.
3. Provide monthly Account Statements and access to Budget Queries to the faculty/staff sponsor. These statements will report all FOAPAL activity during the month.

Faculty / Staff Sponsor:

Accounting & Financial Services:

\_\_\_\_\_  
Faculty / Staff Sponsor Signature                      Date

\_\_\_\_\_  
General Ledger Manager Approval                      Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Accounting & Finance Director Approval                      Date

**Accounting & Financial Services**

\_\_\_\_\_  
Department Name

\_\_\_\_\_  
Approving Department Name