

Memo To: All UH-Downtown/PS Holders  
From: Juan Sánchez Muñoz, President  
Subject: Agency Funds Policy

UH-Downtown/PS 05.A.16  
Issue No. 4  
Effective date: 07/05/19  
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## 1. PURPOSE

This policy statement establishes guidelines for accountability by the University of Houston-Downtown for agency funds.

## 2. DEFINITIONS

2.1 Agency funds: those funds in the possession of the University for which it is custodian or fiscal agent but not owner. These include deposits by students, student organizations, faculty, staff members, professional organizations and external third parties.

## 3. POLICY

3.1 Regulations and accounting requirements have been established by the University to insure the safekeeping and proper administration of agency funds.

3.2 Regulations and accounting requirements shall include, but not be limited to, the following:

3.2.1 Requiring that all organization accounts have a faculty/staff advisor to assume fiscal responsibility for the account;

3.2.2 Establishing the guidelines and minimum requirements for creating organization accounts, which consist of requesting the Budget Office to establish the agency Fund 9008 cost center, via memorandum, and depositing monies to the account through the Cashier's Office;

3.2.3 Establishing the allowable purposes for creating organization cost centers. Allowable purposes include, but are not limited to the following:

- A. Scholarships that are not qualified as gifts;
- B. Student loans, health insurance, and other pass-through activities; and
- C. Student Organizations

Agency fund cost centers may only be used for purposes that do not include potential employment-type activities.

3.2.4 Ensuring a monthly cost center verification report to individuals and

organizations owning the assets to ensure accountability;

- 3.2.5 Requiring that the individual or organization not be allowed to over expend the funds available in the cost center; and
- 3.2.6 Ensuring the account is not in a deficit position at year-end.
- 3.2.7 Prohibiting the use of agency funds for payment of salaries and/or wages
- 3.3 Expenditures made using funds from an agency account shall follow the University procedures delineated in [PS 05.A.04 Petty Cash Policy](#), [PS 05.A.12 Expenditure Allocations and Adjustments Policy](#), and other applicable purchasing policies.
- 3.4 All deposits into the Agency Fund Cost Center will use Account 23100 and all withdrawals/expenditures will use Account 23114

#### **4. PROCEDURES**

- 4.1 Once the agency account is no longer needed, the following procedures for closing the account and withdrawing the funds shall be followed:
  - 4.1.1 Prepare an Accounts Payable voucher made payable to the organization's legal name; and
  - 4.1.2 Attach a copy of the most current PeopleSoft 1074 report.
- 4.2 Agency Fund type organizations are authorized to establish a commercial bank account to manage their funds in lieu of using these procedures; however, the commercial account cannot use the University of Houston-Downtown name, nor can a UH D IRS W-9 form be issued to establish the account.

#### **5. REVIEW PROCESS**

Responsible Party (Reviewer): Vice President for Administration and Finance

Review: Every three years on or before August 31<sup>st</sup>.

Signed original on file in Employment Services and Operations.

#### **6. POLICY HISTORY**

Issue #1: 09/30/94

Issue #2: 10/13/99

Issue#3: 07/09/15

## 7. REFERENCES

[UH System Memorandum 03.G.02](#)