

CAMPUS PROGRAMS - TRUST ACCOUNTS POLICY

Name:

This policy shall be called the Campus Programs - Trust Accounts Policy.

Purpose:

To provide management with the criteria and framework by which the HSU Sponsored Programs Foundation holds funds for university purposes and to assure that expenditures are used for purposes supportive of the University's education mission. As an auxiliary organization of Humboldt State University, Humboldt State University Sponsored Programs Foundation seeks to comply with various federal and state regulations including CSU Board of Trustees policy, Title V, and Humboldt State University policies.

Effective Date:

This new policy will be effective May 15, 2003

Amendments:

This policy may be amended by a majority vote of the Board of Directors.

Background and Purpose:

The Sponsored Programs Foundation holds certain funds for University purposes. These accounts support the educational mission of the University. The sources of funds deposited to these accounts are primarily gifts and donations but may include fees for services and sale of products or goods exclusively (included are approved workshops, seminars and conferences not offered for credit). An administrative handling fee comparable to fees charged by the University will be charged on these accounts. This administrative fee excludes deposits to savings accounts and transfers between Foundation accounts. These accounts are frequently referred to as Campus Programs or Trust Accounts.

Policy Statement:

HSU Sponsored Programs Foundation will receive funds and manage only those campus program-trust accounts that are officially recognized by the University for University programs or projects.

Application Process

An agreement for the Establishment or Continuation of a Campus Program - Trust Account must be completed and submitted for review and approval to HSU Sponsored Programs Foundation.

The Vice Presidents have the primary responsibility for approval and use of campus program - trust accounts in their respective areas. Additionally, the Director of University Advancement must review and approve the establishment of all accounts where the source of funds is gifts/donations. The President has review and approval authority on

new accounts that do not fall directly under one of the Vice Presidents.

The Executive Director of the Sponsored Programs Foundation will review, and as appropriate approve all accounts on behalf of the Sponsored Programs Foundation. As part of this review, HSU Sponsored Programs Foundation will work with the University to ensure that the source of funds deposited is clearly defined and ensure that donation acknowledgement letters are not issued to donors contributing to project accounts over which they exercise authority.

HSU Sponsored Programs Foundation will not accept funds or manage accounts that would jeopardize its tax-exempt status, or expose it to expenses for which no source of funds has been readily identified. New university programs or programs involving a substantial or unique obligation of the Sponsored Programs Foundation, shall be submitted to the University President for approval as to its acceptability to the overall mission of the University and in conformance with CSU Trustee regulations and then presented to HSU Sponsored Programs Foundation for approval.

Campus Program Trust Account Procedures

All campus programs - trust accounts shall have a beginning and ending date established. The maximum term for an account is three years, with the exception of accounts set up for endowments that are permanent. A request to renew the account may be submitted prior to the end of the normal three-year term. Accounts will be closed and the account signatory and responsible campus officer notified if there is no activity for more than one year. It will be the responsibility of the authorized signer to notify the HSU Foundation of any changes to the terms of agreement. HSU Sponsored Programs Foundation will review campus programs - trust accounts on a regular basis and will report to the Board of Directors any trust accounts that fall into an over-draft condition. The Vice President that has oversight responsibility for the campus program will assume responsibility for any over-draft. All trust over-drafts must be approved, in advance and in writing by the Foundation. Overdrafts are considered loans and will be treated accordingly, with terms of the loan, including payment terms and interest rates documented and presented to the appropriate committee with final approval by the Board of Directors.

Laws and regulations governing the not-for-profit and tax-exempt status of the Sponsored Programs Foundation prohibit self-dealing practices. Consequently, the Sponsored Programs Foundation must have in place internal control procedures that preclude even inadvertent events that may jeopardize its status. The following procedures are established in accordance with this requirement.

All requests by authorized signers for self-reimbursement, including payroll-related requests, will have to be signed by their academic or programmatic supervisor.

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