Agency Accounts

Original Implementation: January 20, 1998
Last Revision: July 16, 2013

Agency accounts are funds held by the university as custodian or fiscal agent for others. The money is deposited with the university for safekeeping, to be used or withdrawn by the agency account’s authorized representatives at will. All agency accounts must be related to the mission of the university. The university, at its sole discretion, will determine whether or not to establish an agency account or to terminate an existing agency account.

The university reserves the right to commingle agency funds with university funds, which may be deposited in financial institutions. Agency accounts will neither earn interest nor be assessed administrative fees, except for identifiable bank charges directly related to a specific agency account or the agency account is overspent, in which case a penalty is assessed by the controller’s office (see below). Agency funds will be managed at the same level of safekeeping as university funds. Should authorized representatives of the agency funds wish to conduct an independent audit, they may do so by obtaining their own auditor at their own expense. Agency accounts are subject to review by university and state officials as well as anyone legally authorized to do so.

Request to Establish an Agency Account

A request to establish an agency account is made by completing the "Establishing a New Banner Account (Fund–Org–Program) for Non-Grant Accounts" form. The form is available on the SFA Business Forms page at http://www.sfasu.edu/3386.asp. If approved, the agency account will be assigned a Banner fund (8XXXXX), which will be used by the agency account’s authorized representatives when depositing or withdrawing funds.

Disbursement from an Agency Account

Authorized representatives of agency accounts may withdraw funds or make payment to vendors by either of two methods:

1. Complete a "Purchase Voucher" form. Print the completed form, sign it, and submit it to the accounts payable department in the controller's office.
2. Complete a "Request for Disbursement from an Agency Account" form. Print the completed form, sign it, and submit it to the accounts payable department in the controller's office.
Both forms are available online on the forms link: http://www.sfasu.edu/3386.asp

Negative Balances in Agency Account Prohibited

Agency accounts are not permitted to carry negative balances. Therefore, the university may assess a $25 institutional fine each time an account goes into a negative balance.

Cross References: Establishing a New Departmental Account: Fund – Organization – Program (FOP) (3.12); Purchase Voucher (17.20)

Responsible for Implementation: Vice President for Finance and Administration

Contact for Revision: University Controller

Forms: Establishing a New Departmental Account (Fund-Org-Program) for Non-Grant Accounts; Purchase Voucher; Request for Disbursement from an Agency Account, all available on the university business forms website http://www.sfasu.edu/3386.asp

Board Committee Assignment: Finance and Audit