



**SUNY POLYTECHNIC  
INSTITUTE**  
AUXILIARY SERVICES CORPORATION

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**AGENCY ACCOUNT POLICIES & PROCEDURES**

**Overview**

SUNY Polytechnic Institute Auxiliary Services Corporation (Auxiliary Services) has been designated as the organization authorized to administer Agency accounts on the SUNY Polytechnic Institute campus and, as fiscal agent, to receive, hold and disburse funds on behalf of students, faculty, staff members, or appropriately recognized organizations. Auxiliary Services has a fiduciary responsibility to ensure the funds are maintained and used in accordance with the approved purpose. Agency funds are not funds of Auxiliary Services. Rather, they are non-state accounts funded by various authorized sources as outlined in SUNY Policy 7000 "Agency Account Guidelines".

As the designated fiscal agent for Agency funds on the SUNY Polytechnic campus, Auxiliary Services is required to develop and maintain up-to-date comprehensive written policies and procedures for the administration of agency accounts. These policies and procedures are required to cover the following areas, at a minimum:

- The establishment of agency accounts
- Procurement and disbursement of agency funds, including travel reimbursements
- Agency fund cash receipt controls
- Investment of agency funds
- Inactive accounts
- Internal controls over the cash receipt and disbursement processes related to the safeguard of the agency funds.

**Policy**

It is the policy of Auxiliary Services to comply with all fiduciary requirements related to the management and oversight of agency accounts as outlined in the following documents"

- SUNY Policy 7000 "Agency Accounts Policy"
- SUNY Policy 7001 "Agency Account Guidelines"
- SUNY Policy 9400 "Auxiliary Services Corporations Guidelines"
- ASC Corporation Contract with SUNY Polytechnic Institute

## Procedures

### 1) Establishing an agency account:

To open an agency account, contact the Auxiliary Services office for an application packet. Discuss the appropriateness of an agency account versus a state account with the AVP of Business Affairs. The decision as to whether an account qualifies to be an agency account will be made by the college's Associate Vice President of Business Affairs. Application packets can also be downloaded from the Auxiliary Services website at <https://sunypoly.edu/aux-services>.

The application packet will include the following:

- Fiscal Agent Agreement – This must be reviewed and signed by the Account Owner. The Agreement outlines the responsibilities of Auxiliary Services and the Account Owner, as well as some process-related information.
- Agency Account Application – Applicants must complete the form in its entirety and supply such information as the authorized signatories for the account as well as the purpose of the account, sources of funds and authorized expenditures.

Once an account application has been approved, Auxiliary Services will provide the account owner with the related policies and procedures.

### 2) Account Owner, Supervisor and Alternate Signatories Changes:

Only signatures appearing on the Agency Account Application will be honored for payment requests. When an account owner or the account owner's supervisor changes, or an alternate signatory needs to be added or replaced, a new signature page should be submitted. The entire application need not be resubmitted.

### 3) Deposit Procedures:

- Agency funds are to be brought to the Auxiliary office for processing.
- The Auxiliary office will verify the amount to be deposited and provide the Account Owner with a copy of the cash receipt form for their records.
- All checks being deposited into an agency account should be made payable to SUNY Polytechnic Institute Auxiliary Services Corporation.
- Deposit Restrictions:

Auxiliary Services cannot accept the following:

- (a) Monies belonging to the State (the State has ownership and equitable title in the funds) either as general revenues or as revenues accountable through an Income Fund Reimbursable (IFR) account, nor should such monies be utilized for the purposes of the corporation.
- (b) Grants related to sponsored research. Grants of this nature should be submitted to the Research Foundation of the State University of New York.
- (c) Gifts, endowments, scholarships, or loan support for students or for academic purposes should be administered through the SUNY Poly Foundation.

#### 4) Check Request Procedures

- A purchase voucher form must be completed for all disbursements from agency accounts. A separate voucher form must be completed for each check to be issued and must include the following:
  - a) Indicate to whom the check should be made payable to in the Payee Name & Address field of the Auxiliary Purchase Voucher form. This should match supporting documentation.
  - b) Enter the agency account #, voucher date, department and contact name in the appropriate fields on the voucher. Enter a description of the material/service purchased along with the Invoice # in the designated fields. If no invoice date is given, please use the date the voucher is submitted.
  - c) By default, all checks will be mailed to the respective vendors. Alternate special delivery instructions should be noted in the Special Instructions section of the voucher.
  - d) If a service being provided by an individual or business (i.e. a speaker, referee, musician, etc.); a W-9 form should be requested from the vendor and submitted along with the supporting receipts. This will provide the Auxiliary with the tax ID information required to file annual 1099's. A blank W-9 form can be obtained on the Auxiliary website <https://sunypoly.edu/aux-services.html> under Forms and Documents link on the left side of the web page.
  - e) Only signatures authorized on the Agency Account Application will be honored.
    1. Purchase Vouchers used for expense reimbursement requests paid to an authorized signatory of the Agency Account, must also be signed by the signatory's manager.
  - f) Completed check request forms and the supporting original receipts/invoices should be submitted to the Auxiliary office for processing.
- Payment Restrictions:
  - a. No Agency Account will be allowed to overdraw its balance.
  - b. All purchase vouchers must be for authorized expenditures as outlined in the Agency Account Application guidelines, otherwise they will be denied.
  - c. Requests for personal service payments to campus employees cannot be made directly from Agency Accounts but should be processed instead through the appropriate State University of New York payroll mechanisms. This includes the reimbursement of State accounts for the funding of payroll.
- Completed vouchers received by noon on Wednesday of each week will have checks issued on Friday of the same week. Otherwise, payment will be released the following Friday. There may be exceptions to this timeline when school is not in session or during holiday periods.

#### 5) Sales Tax:

Pursuant to the Agency Account Guidelines, Agency Account purchases are eligible for a sales tax exemption under the Auxiliary exemption number for account activity "that is in support of the State University's educational purpose and conducted by a faculty member...". A determination of whether the account meets eligibility for sales tax exemption will be made at the time the account is established. If Auxiliary Services questions the purpose of a particular expenditure, the college's Office of Business Affairs will be consulted for a decision.

#### 6) Monthly Reporting:

Auxiliary Services will provide the account owner with a monthly statement of account activities. The account owner is responsible for reconciling the monthly activity reports to their internal records and

communicating any discrepancies to Auxiliary Services so that they may be resolved in a timely manner.

7) Inactive Accounts:

Agency accounts inactive for one year will be reviewed with the account owner to determine whether the account should remain open or be closed. Accounts closed due to inactivity may be re-established by completing a new account application.

8) Investment of Agency Funds:

Agency funds may not be commingled with funds of the Auxiliary. However, agency account funds may be combined or commingled for efficiency and investment purposes. Interest earned on the investments can be credited to the agency accounts directly, held by Auxiliary Services in lieu of a management fee, or a combination of both.

9) Fees:

A reasonable administrative/management fee may be collected by Auxiliary Services. As such, Auxiliary Services will retain any interest earned on the agency account balances in lieu of a management fee. Agency accounts will, however, be charged for any insufficient fund check fees assessed by our financial institution.

10) Internal controls over cash receipt and disbursement processes:

*Cash Receipts*

- Account Owner reviews cash receipt form received from the Auxiliary Services office for completeness and validates the amount of the deposit and retains for their records.
- A bank deposit slip is prepared and entered into the general ledger as received.
- The bank deposit is held in the Auxiliary Services office safe until the consolidated bank deposit is prepared by the Auxiliary Services Senior Accountant. The consolidated deposit remains in the safe until the Auxiliary Services senior accountant transports the deposit to the financial institution.

*Cash Disbursements*

- Account Owner prepares and signs a purchase voucher form. The form should have the proper signatures, supporting receipts, the vendor's W-9 (if not already on file) and validated for mathematical accuracy before submission.
- Purchase vouchers are then reviewed by the Auxiliary Services Executive Director for accuracy, appropriateness of the transaction and proper supporting documentation.
- Purchase vouchers are then entered by the Auxiliary Services' Office Manager into the general ledger.
- The Auxiliary Office Manager will process the payment batch after it has been reviewed by the Auxiliary Services Senior Accountant.

*Month-end Activities*

- The agency fund bank account is reconciled monthly by a staff member not responsible for the entering of agency-related payables. Bank reconciliations are reviewed by the Auxiliary Services Executive Director when completed.
- The Auxiliary Services Senior Accountant runs a summary trial balance for all agency accounts

and reviews them for deficit balances. Should a deficit exist, the Senior Accountant will follow up with the account owner for resolution. After the trial balance is reviewed by the Executive Director, the GL period is closed by the Senior Accountant.

- Monthly activity reports are run by the Senior Accountant and are distributed to each Account Owner and any discrepancies identified are reviewed and resolved.

11) Statutory Reporting:

In accordance with IRS regulations, Auxiliary Services will issue any required 1099-MISC and 1042 Forms to independent contractors that have been paid through an agency account.

12) Audits and Record Retention:

All agency accounts will be subject to internal and external reviews and audits. Records carry the same retention schedule as college fiscal records (the current year plus the six years prior). Auxiliary Services is responsible for maintaining the historical records as submitted. Original applications will be retained in the Auxiliary Services office for the retention period and signature verifications.

13) Policy & Procedure Exemptions:

Exemptions from all or part of these policies and procedures must be specifically approved by the AVP of Business Affairs.