

DEPOSITORY OF FUNDS

UA Cossatot shall seek approval from the President, Vice President for finance or Vice President for administration of the University of Arkansas System in accordance with UA BOT Policy 305.1 to open any new bank account, accounts with investment firms, or use facsimile signature checks.

Any banks holding UA Cossatot funds on deposit shall furnish collateral for any deposits exceeding the FDIC limit for checking accounts or certificates of deposit. The placement of unsecured monies with another depository will occur if attainment of collateralization is not possible.

HLC Criterion: 2A

Policy History:

November 3, 2014
July 7, 2014
January 1, 2011
July 30, 2001

COLLATERALIZATION OF DEPOSITS

Procedures:

1. The University of Arkansas System and the State of Arkansas requires any banks/financial institutions holding public funds on deposit to furnish collateral for deposits amounts exceeding FDIC Insurance limits set by the Federal government.
2. These deposits include all funds and all deposits types: Checking, Savings, Certificate of Deposits (CDs), etc.
3. The total of all deposits in any financial institution for UA Cossatot in excess of FDIC insured amounts must be collateralized by the Financial Institution or their Trust Department.
4. Custodians of collateral pledged for deposits must provide monthly reports showing the current market value of the collateral to UA Cossatot or provide written evidence of appropriate collateralization.

Procedure History:

June 8, 2016

CHECK SIGNING FISCAL CONTROL

Procedures:

1. UA Cossatot maintains an electronic check writing program. A check signing machine with the signature of the Vice Chancellor for Business Services/CFO is utilized to sign all checks run through the main account.
2. Each time checks are run, the person who runs them must request the check signing machine key to have the checks signed. The key is kept locked in the Business Office safe.
3. The check batch can be run through the check signer and a log must be filled out.
4. The check batch is then delivered to the CFO with all backup attached.
5. The check register is reviewed against the invoices and checks. Once verified, approval for the run is noted by signature on the check register or post.
6. All checks over \$5,000.00 are initialed by the CFO or manually signed.
7. For checking accounts that are not run through the electronic check writing program (petty cash, VSO, Scholarship, Title IV, etc.), physical signatures are required.
8. In the instance, that the check signing machine doesn't work, all checks are manually signed by an authorized signatory and check batches must still approved by the CFO.

Procedure History:

June 15, 2016

AUTHORITY TO OPEN BANKING ACCOUNTS

Procedures:

1. The Chancellor authorizes the Vice Chancellor for Business Services/CFO to open necessary banking accounts with appropriate approval to conduct the operating business of the college.
2. Other Business Office employees may be designated signatories on accounts after the accounts are opened.
3. All new accounts must also contain an authorized signatory from the UA System as policy dictates.

Procedure History:

June 15, 2016

ACH AND WIRE TRANSFER AUTHORITY

Procedures:

1. Payments authorized for disbursement via ACH are accumulated in electronic files for payroll direct deposits and submitted to the bank for processing via secure programs.
2. Only designated employees are assigned credentials for bank program applications, and their access to the payment files does not provide the ability to edit information.
3. Repetitive ACH or wire transfers for non-payroll payables are also controlled in the online bank system. A template is created where only the dollar amount and dates can be changed.
4. A posting report must be approved by the Vice Chancellor for Business Services/CFO for all ACH direct deposit transactions.
5. The accountant verifies all ACH and wire transfers on the bank statements.

Procedure History:

June 15, 2016
