



UNIVERSITY POLICY

SUBJECT: FINANCIAL AFFAIRS

TITLE: BANKING RELATIONSHIPS

CODING: 00-01-50-85:00

ADOPTED: 01/01/91

AMENDED: 01/01/91

I. PURPOSE

To establish guidelines for centralizing and controlling the flow of funds throughout the University as well as establishing and maintaining bank accounts for the purpose of conducting University business.

II. ACCOUNTABILITY

Under the Senior Vice President for Administration and Finance, the Vice President for Financial Affairs and Treasurer shall ensure compliance with this policy. The Assistant Treasurer shall implement this policy.

III. POLICY

A. Guidelines

1. All banking will be conducted and coordinated through the Office of Cash Management in order to achieve efficiency, thus avoiding duplication of effort and banking accounts.
2. In the event a Department within the University receives funds, a request, in writing, for a cost center must be submitted to General Accounting. General Accounting will assign a cost center to accommodate the funds within the main bank account. This request should state the need, source of funds, and purpose of the account. Action will be taken on the request within seven working days.
3. Any individual, unit or department that has an external bank account of University funds, must report this information immediately to the Vice President for Financial Affairs and Treasurer. Failure to either report this information or to continue a banking relationship without approval of the Vice President for Financial Affairs and Treasurer will result in disciplinary proceedings, up to and including dismissal.
4. Once approved, the individual, unit or department maintaining an external bank account with University funds must make arrangements with the banking institution at which the account is maintained to cause a duplicate statement to be sent to General Accounting Department, University Heights, 102 Administration Complex, 30 Bergen Street, Newark, NJ 07107-3007.

B. Responsibilities

1. The Office of Cash Management is responsible for:
 - a. ensuring that the flow of funds throughout the University is performed in an expeditious manner.
 - b. acting as the liaison between the University and the banking community.
 - c. counseling individuals handling University funds regarding the concept and the importance of funds availability.
2. The Assistant Treasurer is responsible for timely reporting (at least on a quarterly basis) to the Vice President for Financial Affairs and Treasurer on faculty and staff compliance with this policy and of any recommendations or problems that arise.
3. The Vice President for Financial Affairs and Treasurer is responsible for timely reporting (at least on a quarterly basis) to the Senior Vice President for Administration and Finance the pertinent information on policy compliance, with any recommendations or problems that arise.

IV. PROCEDURE

Performed by:

Department upon Receiving a
Check over \$100,000

Office of Cash Management

Action Taken:

1. Immediately contacts the Office of Cash Management by telephone.
2. Physically brings the check to the Office of Cash Management no later than 12:00 noon of the same business day check is received or if receipt is later, immediately.
3. Deposits funds into proper accounts.

NOTE: If the account number cannot be immediately identified, temporarily deposits money into a suspense account, but makes every attempt to ensure deposit into the proper account within twenty-four hours of the receipt of the check.

By Direction of the President:

Senior Vice President for Administration and Finance