

**PRESIDENTIAL MEMORANDUM #47**  
**1<sup>st</sup> Revision**

Original Issue Date: July 15, 1975

**SUBJECT: Bank Account Establishment, Management of Funds, and Investment Policy**

**DATE: March 10, 1981**

The purpose of this memorandum is to restate the rules and regulations of the State and Board of Regents concerning the establishment of local bank accounts and management of funds and to establish University policy affecting such matters.

Florida Statute reference is as follows:

F.S. 240.095 "Deposit of funds received by institutions and agencies in the state university system. – All funds received by any institution or agency in the state university system, from whatever source received and for whatever purpose, shall be deposited in the state treasury subject to disbursement in such manner and for such purposes as the legislature may by law provide. The following funds shall be exempt from the provisions in this section and, with the approval of the board of regents, may be deposited outside of the state treasury:

- (1) Student deposits.
- (2) Student activity funds, including admissions to athletic events.
- (3) Scholarship funds from private sources.
- (4) Student loan funds.
- (5) Contractor's bid deposits.
- (6) Vending machine collections.
- (7) Alumni association funds.
- (8) Funds received from private sources as gifts, grants, bequests, or donations.
- (9) Such other funds as may be approved by the board of regents and the department of administration."

Board of Regents regulations permit the establishment of local bank accounts for the deposit and withdrawal of certain funds within the following guidelines:

6C-9.08 "Management of Funds.

- (1) Funds on Deposit in Local Banks – The institutions of higher learning have certain funds of an agency or trust nature, including clearing accounts and revolving funds, which may be lawfully handled through local banks. In general, these are funds received and held by the institution as custodian or fiscal agent for others.
- (2) Procedure
  - (a) Bank accounts may be established by recommendation of the President and approval of the Board through the Chancellor.
  - (b) Bank accounts shall be in the name of the Board of Regents and the institution.
  - (c) Any bank so designated may be used as a depository for these funds.
  - (d) The Treasurer of the State of Florida shall be custodian of collateral deposited by the banks to secure deposits; and it shall be the responsibility of the business officer of each institution to see that deposits of that institution are adequately secured at all times.
  - (e) The business officer of each institution shall keep an accurate and complete record of each bank account, adequate records shall be kept for each fund, and no check shall ever be drawn in excess of the balance to the credit of a particular fund.
  - (f) All money drawn from a depository shall be upon a prenumbered check on authority of the President.
  - (g) All withdrawals shall be supported by vouchers audited and approved by an institutional employee other than the signers and co-signers of the check.
  - (h) Withdrawals shall be made only for the purpose for which the agency was created, except that surplus funds, unless expressly prohibited, may be invested by the business officer upon approval of the Board of Regents.
  - (i) The business officer shall have authority to liquidate such investments, when deemed advisable, upon approval of the Chancellor.

- (3) Campus Vending – Vending Funds may be disbursed for any purpose not in conflict with Florida Statutes, by the Chancellor in the case of funds under his jurisdiction and by the presidents in the case of funds under their jurisdiction, when they have determined that such disbursement is advisable and in the best interests of the Board of Regents or the institution. Budgets for these funds shall be submitted to the Board of Regents Office at a time and in form designated by the Board.”

It is the policy of this University that no bank account be established outside of these guidelines and that the management of funds from whatever source be administered according to the Board of Regents Rule 6C-9.08 referenced above.

The University’s mailing address may not be used for personal bank accounts.

Student clubs and organizations properly registered under the rules of Student Affairs are exempt from this policy but are encouraged to follow it.

#### 6C-9.10 Investments

- (1) Investments are to be made under the pooled-fund concept, rather than from individual accounts.
- (2) Minimum fund balances of 30 days cash flow should be maintained to ensure solvency.
- (3) Investments will be ordered through the Florida Department of Administration.
- (4) Distribution of interest will take place as follows:
  - (a) Grants and Donations Trust Fund – interest to Division of Sponsored Research, unless a covenant provides that interest reverts to a specific account.
  - (b) Extension Incidental Trust Fund – interest to Continuing Education in the Extension Fund.
  - (c) Auxiliary Trust Fund – interest distributed to the auxiliary departments based upon average cash available.
  - (d) Local-Unrestricted Fund – interest distributed to Student Loan Fund.
  - (e) Agency Fund – interest distributed to the Student Loan Fund.
  - (f) Student Loan Fund – interest will be retained by the Student Loan Fund, for distribution by the Director of Financial Aid.

(g) Scholarship Fund – interest will be retained by the Scholarship Fund, for distribution by the Directors of Financial Aid.

(5) Provided Federal Funds are invested, interest is to be remanded to the sponsoring agency.

Information concerning the application of this policy should be sought, in all doubtful cases, from the University Controller.

Glenwood L. Creech  
President

**Distribution:** Vice Presidents, Deans, Departmental Chairpersons, Directors