Roles and Responsibilities - Treasury Management

Section: Treasury Management
Title: Roles and Responsibilities - Treasury Management

Number: 105.001

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APPENDIX

- None.

POLICY

.100 POLICY STATEMENT

The policy sets forth high-level Treasury Management roles and responsibilities for the Chancellor's Office and the Institutions.

.110 POLICY RATIONALE

OUS seeks to ensure that the high-level roles and responsibilities of the Chancellor's Office and the Institutions related to Treasury Management are documented, communicated, and clearly understood and applied.

.120 AUTHORITY

- ORS 351.085 - Duties and Powers of Chancellor
- OAR 580-040-0005 - Delegation and Assignment of Responsibility
### 130 APPROVAL AND EFFECTIVE DATE OF POLICY

Approved by the Budget and Finance Committee of the Board on 2/15/02 as part of the Fiscal Accountability Framework Final Report. The effective date of the policy is 3/1/02.

### 140 KNOWLEDGE OF THIS POLICY

All Chancellor's Office and institutional personnel with treasury management and related responsibilities should be knowledgeable of this policy.

### 150 DEFINITIONS

None.

### 160 HIGH LEVEL ROLES AND RESPONSIBILITIES

#### A. CHANCELLOR'S OFFICE

<table>
<thead>
<tr>
<th>High level roles</th>
<th>High level responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating and Suspense</strong></td>
<td></td>
</tr>
<tr>
<td>Reimbursement and Reconciliation of Funds</td>
<td>For all campuses not given delegated authority, reimburses suspense accounts once per month for each institution and performs central reconciliation of all bank accounts except the revolving fund for OSU. For UO and PSU: These functions have been delegated from the Controller to the institutions.</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>Receives all state appropriations into the CO suspense accounts. Budget Office directs Controller's Division on Distribution of appropriations to institutions.</td>
</tr>
<tr>
<td>Wire Transfers and ACH</td>
<td>For all campuses not given delegated authority, sends all wire transfers and the majority of ACH. For UO and PSU: These functions have been delegated from the Controller to the institutions.</td>
</tr>
<tr>
<td><strong>Bond Building Fund</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Management</td>
<td>Receives bonds centrally and distributes proceeds to institutions.</td>
</tr>
<tr>
<td><strong>Sinking Fund</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Management</td>
<td>Monitor sinking fund balances and requirements. Transfers funds to Oregon State Treasury to pay debt service.</td>
</tr>
<tr>
<td><strong>Building and Equipment Repair</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Management</td>
<td>Reimburses institution suspense accounts. Invests Building and Equipment Repair Funds from the institutions. Monitors for appropriate use of funds</td>
</tr>
</tbody>
</table>
for buildings.

Interest Management Receives interest from Building and Equipment Repair Funds. Performs interest distributions from these funds to the institutions.

**Student Activity Fees**

**Fund Management** For all campuses not given delegated authority, disburses interest earnings once a month to institutions. For UO and PSU: This function has been delegated from the Controller to the institutions.

**Student Building Fee Funds**

**Spending Funds** Coordinates how funds are spent. Uses Student Building Fee Funds to pay debt service on unallocated bonds and construction related to student buildings.

**Prioritizing Fund Usage** Transfers funds to the Chancellor's Office at the end of each fiscal year. Makes financial projections to determine available funds.

**Special Project Funds**

**Fund Management** Creates a bank account for each special project. Reimburses suspense accounts from special project funds to reflect the use of these funds.

**Lottery Funds**

**Fund Acquisition** Receives lottery dollars from DAS.

**Fund Distribution** Distributes 88% to athletic funds based on OSBHE institutional allocation. Maintains 12% in Chancellor's Office fund for scholarships.

Calculates the amount of money available for scholarships; distributes scholarhip money to institutions based on graduate student FTE enrollment.

**B. INSTITUTION**

**High level roles**

**High level responsibilities**

**Operating and Suspense**

**Collection and Deposit of Cash** Receives cash through cashiering officers and deposits cash into separate suspense bank accounts at the state treasury. Cash is deposited either directly or through off-site lock boxes.

**Fund Management** Manages own operating accounts and reporting. Has the authority to cut checks and pay bills.

**Reimbursement and Reconciliation of Funds** For UO and PSU: Reimburses suspense accounts once per month and performs reconciliation of all institutional bank accounts as delegated by the Controller. For all other campuses: These functions are completed by the Chancellor's Office.

**Recording Transactions** Records the journal entries for all transactions. Responsible for entering data correctly into the system.
Wire Transfers and ACH  
UO and PSU: Performs wire and ACH functions as delegated by the Controller. For all other campuses: Performs some electronic wire and ACH functions.

**Bond Building Fund**  
Fund Acquisition  
Makes requests to the facilities division of the Chancellor's Office.

**Sinking Fund**  
Fund Transfer  
Requests CO to transfer money from institutional operating funds to sinking fund.

**Building and Equipment Repair**  
Reserve Management  
Responsible for calculating and setting aside reserves for System-wide compliance.
Fund Management  
Spends funds and makes the appropriate journal entries. Maintains cash and reserve funds at the campus level. Monitors for appropriate use of funds for buildings.

**Student Activity Fees**  
Fund Management  
All campuses: Collects Student Activity fees from students. Responsible for keeping a positive balance in the Student Activity Fee accounts. Covers deficits by borrowing from other funds. UO and PSU: Distributes interest earnings once a month.

**Student Building Fee Funds**  
Fund Collection  
Collects Student Building Fee from students at each institution for each term.
Prioritizing Fund Usage  
Recommends and prioritizes which projects should be funded.

**Special Project Funds**  
Fund Acquisitions  
Responsible for acquiring special project funding.
Fund Management  
Deposits funds at Treasury and spends funds from the suspense account.

**Student Loan Fund**  
Fund Acquisition  
Received funds from the federal and state government, donors, and repayments from borrowers.
Fund Management  
Manages cash flow and balances. Loans money to students. Makes new loans to students from prior loan repayments.

**Lottery Funds**  
Determining Fund Usage  
Awards Scholarships

**.690 CONTACT INFORMATION**

Direct questions about this policy to the following offices:
Subject
General questions from institutional personnel
General questions from institutional central administration and Chancellor's Office personnel

Contact
Institution Office of Business Affairs
Chancellor's Office
Controller's Division

.695 HISTORY

12/07/04 - Updated
10/15/03 - Reformatted
2/15/02 - Approved

Policy Last Updated: 12/08/04

APPENDIX

None.

Appendix Last Updated: N/A