



## Agency Account Overview

Please consider the following points regarding Agency Accounts:

1. All expenditures must follow existing University policies and procedures.
2. **There can be no cash withdrawals from an Agency Account.** In addition, there will not be a check book to make purchases with. Please see below for purchasing methods.
3. Expenditures are limited to the cash balance in the account.
4. A University ChartString will be assigned to the account and must be used on all account activity.
5. A monthly status report will be emailed monthly to the organization advisor or chief officer.
6. Organizations are encouraged to have an advisor that is employed by UGA. Advisors should not make purchasing/spending decisions for the organization.
7. All expenditures are subject to state sales tax and audit by University or State auditors.
8. Organizations must register each year with the Department of Engagement, Leadership and Service [here](#). Failure to do so will result in the account being frozen with no access to the funds in the account.
9. The University **will not issue payment in advance** of services. This includes deposits that might be required by the local business.
10. A P-Card **cannot** be utilized for assisting with purchases on Agency Accounts.
11. If the Agency Account is unused for 24 consecutive months, it will be closed per the terms of the agreement. Balances below \$5.00 will be forfeited.
12. Agreement forms need to be resubmitted annually to update contact information and officer changes.

**Purchasing:** There are several ways to make purchases using a University Agency Account:

- **Intra-University Charges** – Many University services (Tate Print & Copy, Campus Reservations, Event Management, and UGA Food Services) will allow a student organization to make purchases via a direct transfer of funds from the organization's agency account. The UGA service provider will ask the organization to provide their agency account's ChartString and the account will be charged through a GL Journal.
- **Purchase Orders** – UGAmart serves as the University's primary resource for purchasing goods and services. Many vendors have integrated stores within UGAmart including Amazon for Business, Staples, Apple, and more. All purchases for promotional items, tee-shirts, apparel, uniforms, items with logos, and/or anything over \$2,500 must be purchased through UGAmart. The Procurement Office can take competitive bids from vendors and award a purchase order to the vendor with the best price. Please email [DOSBO@uga.edu](mailto:DOSBO@uga.edu) to place an order through UGAmart.
- **Payment Requests** – Payment requests can be processed by the Dean of Students Business Office to pay an invoice from a supplier. The goods or services received by the organization must be an allowable purchase and under \$2,500 to be paid with a payment request. Student organizations can submit original invoices from suppliers to the Dean of Students Business Office to initiate the payment request process.
- **Individual Reimbursements** - Organization members can make a purchase with their personal money, and they can be reimbursed for the purchase. Purchases must comply with University policies to be reimbursed (e.g. no alcohol). Detailed information about reimbursements can be found [here](#).

**Deposit of Funds:** All deposit of funds must be made with Dean of Students Business Office located on the first floor of Tate Student Center. More information can be found [here](#).

**Ticket & Merchandise Sales:** The OneCard Office can sell tickets, collect dues, sell merchandise, and collect donations on behalf of student organizations with Agency Accounts. The DOS Business Office will apply sales tax as needed and deposit net revenue into the Agency Account. More information can be found [here](#).

**Contact Us:** Questions? Please visit our [website](#) or contact the Dean of Students Business Office at [DOSBO@uga.edu](mailto:DOSBO@uga.edu)



Agency Account Form

Date: \_\_\_\_\_

Name of Student Organization: \_\_\_\_\_

Purpose of Request: Request for New Agency Account Submission due to Officer Change

Primary Officer:

Name: \_\_\_\_\_ Position in Organization: \_\_\_\_\_

Email: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Secondary Officer:

Name: \_\_\_\_\_ Position in Organization: \_\_\_\_\_

Email: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Organization Advisor: (UGA Faculty/Staff – if applicable)

Name: \_\_\_\_\_ Location on Campus: \_\_\_\_\_

Email: \_\_\_\_\_ Phone Number: \_\_\_\_\_

ELS Registration:

Is this organization registered with Engagement, Leadership and Service? Yes No
(Please attach copy of registration)

Category of Organization:

- Academic Advocacy Cultural Service Performing Religious
Professional Sports Social Honor Society Special Interest

Additional Information:

How many years has this organization existed on the UGA campus? \_\_\_\_\_

Does this organization receive funding from Student Activity Fees? Yes No

Does this organization have a checking/savings account with an external bank? Yes No

If yes, please give banking institution name: \_\_\_\_\_

Source of funds for this account (ex: dues or fundraising): \_\_\_\_\_

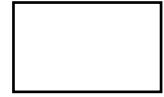
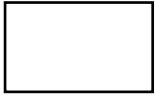
Do all members of this organization agree with this request to establish an account? \_\_\_\_\_

Purpose for establishing/maintaining this agency account: \_\_\_\_\_

If primary officers or advisors change, another form will need to be submitted immediately.

Forms can be found here: https://studentaffairs.uga.edu/dos/business-office/forms/

Please email forms and questions to: DOSBO@uga.edu



**Custodial (Agency) Fund Agreement Form**

Custodial funds are used to account for resources held by the University as custodian or fiscal agent for individual students, faculty staff members, or other organizations.

The University of Georgia agrees to serve as a fiscal agent for \_\_\_\_\_ whose purpose is related to activities dedicated to the achievement of educational, research, and public service goals. The custodial fund must be in the best interests of the University, and must be appropriate, according to the circumstances and reporting principles involved.

**Terms and Conditions**

- Business reason for the custodial fund or reason why the organization does not open its own bank account \_\_\_\_\_
- Nature of the activity that will be processed through the fund (dues, fundraisers, etc.). \_\_\_\_\_
- Legal/corporate status of the organization (501(c)3, corporation, etc.). \_\_\_\_\_
- Federal tax ID number for the organization (if applicable). \_\_\_\_\_
- Name of any other organization on whose behalf the organization is functioning as an agent or intermediary (if applicable). \_\_\_\_\_
- Affiliation with the University of Georgia. \_\_\_\_\_
- Person or persons authorization on whose behalf the organization is functioning as an agent or intermediary (if applicable). \_\_\_\_\_
- Term of the agency agreement. Note: The term should not carry forward indefinitely. The agreement should establish a clear and reasonable beginning and ending date. \_\_\_\_\_
- Disposition of any remaining funds at the end of the agreement. \_\_\_\_\_

**Acknowledgements**

- The University cannot accept responsibility for financial shortfalls for the custodial fund. Disbursements will not be made unless adequate funds are available in the custodial fund.
- Direct costs expended by the University on behalf of the custodial fund must be reimbursed by the custodial fund.

- The University cannot process disbursements that are not handled in accordance with the University’s prescribed practices, including applicable State procurement policies and guidelines for allowable expenditures. accept responsibility for financial shortfalls for the custodial fund.
- By establishing a custodial fund, the Owner of the custodial funds is not a unit of the University and does not obtain University privileges, including but not limited to: entitlement to use University services or facilities; inclusion under University income or sales tax exempt status; use of the University Federal Employer Identification Number (FEIN); use of the University payroll system; use of University staffing; use of University name, logos, trademarks; use of University property recordkeeping or tracking systems.
- The custodial fund does not enjoy tax-exempt status under the University’s charitable tax status. Donations to the custodial fund or Owner of the custodial fund are not tax deductible unless Owner of the custodial fund obtains its own charitable status under the Internal Revenue Code. The Owner of the custodial fund is responsible for all aspects of compliance with its charitable status, such as issuing written gift acknowledgements to donors.
- The University is not responsible for the Owner of the custodial fund’s actions, including but not limited to: appropriateness of disbursements; indebtedness or other liabilities incurred by the Owner of the custodial funds. Owner of the custodial fund agrees to hold the University System of Georgia, including its trustees, employees, and agents, harmless from and to indemnify each of them against all claims, demands, losses and liabilities relating to the University’s management of the custodial fund at the Owner of the custodial fund’s direction.
- The University has the right to close a custodial fund at its discretion.
- The records of all custodial funds shall be subject to review or audit by appropriate University, State, or external auditors as necessary.

This agreement certifies that custodial activity is related to, but not fundamental, to the University’s primary mission and will also ensure the University’s relationship with the organization or third party is that of custodian or fiscal agent. Custodial fund treatment should not be awarded to activities that are a normal and continuing part of the University’s mission.

By signing below, the organization or third party agrees to ensure activity in custodial fund is in adherence to University policies and procedures.

\_\_\_\_\_  
University Department

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Organization or Third-Party

\_\_\_\_\_  
Date:

## **Agency Account Agreement Custodial Funds**

Modified from USG Business Procedures Manual [Section 14: Custodial Funds](#)

### **14.0 Agency/Custodial Funds**

Agency/custodial funds are used to account for resources held by an institution as custodian or fiscal agent for individual students, faculty, staff members, or other organizations.

The Dean of Students Business Office will serve as fiscal agent, representing and acting as a part of the University of Georgia, for agency funds.

### **14.1 Overview**

Fiduciary activity will be reported as custodial funds if all of the following criteria apply:

1. Assets are held by the institution.
2. Assets are for the benefit of individuals and the institution does not have administrative or direct financial involvement with the assets. For the purposes of this section, the institution does not have administrative or direct financial involvement if the institution:
  - Does not monitor compliance with any requirements of the resource provider;
  - Does not determine appropriateness of expenditures;
  - Does not have the ability to exercise discretion over how assets are allocated.
3. Assets are for the benefit of organizations or other governments that are not part of the financial reporting entity.

### **14.2 Establishment of Custodial Fund**

The Dean of Students Business Office in accordance with the University of Georgia agrees to serve as a fiscal agent for an agency fund only after satisfactorily considering all the following:

- The purpose of the agency fund must relate to, but not be a fundamental aspect of activities dedicated to the achievement of educational, research, and public service goals.
- The agency fund is in the best interests of the institution, taking into account all risk management implications.
- The establishment of an agency fund account is appropriate, according to the circumstances and reporting principles involved.
- A written agreement governing the custodial relationship is established.

The approval and establishment of an agency account **DOES NOT**:

- Automatically entitle the organization to the use of any institution services (other than the normal administration of funds as it relates to cash receipt and disbursement services).
- Place the agency/custodial fund under the institution's tax-exempt umbrella. Expenditures from an agency fund are not entitled to the institution's state sales tax exemption.
- Make the institution liable for any of the organization's debts, liabilities, or actions.
- Continue indefinitely. Agency status is contingent on adherence to all institution policies. The institution has the right to close an agency account at its discretion consistent with agreements between the organization and the institution.

Additional terms and conditions are as follows:

- Funds accepted for deposit in custodial fund accounts are not considered tax-deductible gifts to the institution.
- The custodial fund account should have a positive cash balance at all times other than short term timing differences (60 days or less). Should a deficit occur, the external provider (owner of the custodial fund) is responsible for remedying the deficit balance promptly upon notification.
- The institution must withhold disbursements until sufficient funds are available for deficits outside of short term timing differences.
- Institution checks will be issued against the custodial fund account using approved disbursement forms.
- All institution policies and procedures, including State procurement policies, must be adhered to when administering custodial fund activity.

### **14.3 Custodial Fund Agreements**

Custodial agreements should be completed by the institution and signed by representatives of both the institution and the external organization (owner of the custodial fund).

Agreements need to be updated when organization leadership changes.

Because an agency account represents activity that is related, but not fundamental to the institution's primary mission, it is important that agency fund treatment is not awarded to activities that are a normal and continuing part of the institution's mission.

### **14.4 Oversight and Maintenance of Custodial Funds**

Financial stewardship of custodial funds is paramount, therefore, ongoing accountability and oversight must be maintained. Each custodial account should be reviewed periodically, at least once a year, for the purpose of ensuring that custodial funds are being properly maintained and reported correctly. Circumstances to consider which could lead to change, suspension or revocation of custodial account status would include:

- A failure to adhere to institution policies and procedures;
- A change in the nature of the activities and functions such that reporting as a custodial fund is no longer appropriate;
- Deficit balances which have not been remedied in a timely manner;
- If, in the institution's judgment, continuing the custodial account relationship is no longer in the best interest of the institution.

**After 24 consecutive months without activity, unused balances must be either disposed as outlined in the custodial agreement or refunded to the Owner of the custodial fund.** Refunds that remain outstanding after one hundred eighty (180) days from the check's issue date must follow procedures outlined in section 19.1, Unclaimed Property. Balances under \$5.00 will be forfeited to the Dean of Students Business Office.

#### **14.5 Custodial Fund Groups**

Fund 60000 – Funds Held for Individuals, Groups and Organizations

Student Organizations and Activities:

These accounts are established for student clubs, student organizations, or other student group or affiliated group activities that fit criteria listed in Section 14.1. Funds deposited in these accounts should represent funds earned or raised by the student organization or affiliates. Funds allocated to the student organization from institutional funds, such as student activities fees, shall not be placed in a custodial fund account.

Custodial fund accounts of these types should be provided only for bona fide student activities and institution-affiliated organizations, with approval of the Dean of Students Business Office.

#### **14.6 Accounting for Custodial Funds**

In accordance with the implementation of GASB Statement No. 84, Fiduciary Activities, custodial funds are replacing the activity traditionally reported as agency funds. In addition to the change in nomenclature, there is significant changes in accounting and reporting. Custodial Funds are to be reported as part of Fiduciary Activities financial statements, which will include the following:

- Statement of Fiduciary Net Position – full accrual basis financial statements that show all of the assets and liabilities of the institution's fiduciary activities;
- Statement of Changes in Fiduciary Net Position – reports additions, deductions and reflects how fiduciary net position has changed during the year under review.

Unique Department IDs will be required for each custodial fund in order to accurately track the transactions by fund. Department IDs will be required for all transactions.

Custodial fund additions will be reported in the general ledger using account range 4961xx to 4964xx. Custodial fund disbursements will be reported in the general ledger using account range 7961xx to 7964xx. Fiduciary net position will be reported in account 396000.

We, as account advisor and chief student officer for

\_\_\_\_\_ (*name of organization*), hereby have read and understand this agreement as established by the Board of Regents of the University System of Georgia and the Dean of Students Business Office. We will abide by and adhere to all policy specifications as presented in this agreement for Agency Funds.

We are stating, by signing below, that we will make sure all procedures and policies defined above are followed purposely, specifically, and with ethical intents. This account is our collective responsibility. If we have any questions about the clarity of a policy or procedure, we will contact our account manager, at 706-542-8514 or [DOSBO@uga.edu](mailto:DOSBO@uga.edu) for precise direction. The misuse of this account or improper implementation of policies or procedures will result in the termination of said account.

**If advisor or chief officer shall change, another agency agreement must be established immediately.**

\_\_\_\_\_  
(*Printed Name of Student Chief Officer*)

\_\_\_\_\_  
(*Student Chief Officer Signature*)

\_\_\_\_\_  
(*Student Chief Officer Email*)

\_\_\_\_\_  
(*Date*)

\_\_\_\_\_  
(*Printed Name of Advisor*)

\_\_\_\_\_  
(*Advisor Signature*)

\_\_\_\_\_  
(*Advisor Email*)

\_\_\_\_\_  
(*Date*)