

UC Davis Policy and Procedure Manual

Chapter 330, Financial Management and Services

Section 43, Official University Bank Accounts

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Responsible Department: Accounting and Financial Services

Source Document: Bylaw 21.4 of The Regents of the University of California

I. Purpose

Official University bank accounts (that is, bank accounts using the University's name, or an abbreviation thereof, as part of the account name) can be established only by the Treasurer of The Regents of the University of California. This section describes the policies and procedures for establishment and use of official University bank accounts for special needs of certain UCD operations.

II. Policy

A. General

The Treasurer of The Regents maintains central control over all University cash. The Treasurer invests cash balances and ensures that cash is available for payroll and other disbursements when needed. All campus cash receipts are deposited in the Treasurer's depository bank accounts (see Section 330-55, Departmental Cashiering Operations), and the campus makes payroll and vendor disbursements from revolving fund bank accounts that are reimbursed by the Treasurer as expenditures are made.

B. Establishment of bank accounts

Bank accounts can be established only by the Treasurer, who must secure the approval of The Regents' Committee on Finance.

C. Withdrawals and authorized signers

The Treasurer has the authority to make withdrawals from bank accounts. This authority, on recommendation of the President of the University, can be delegated to other University representatives. For campus revolving fund bank accounts, the Vice Chancellor--Administration recommends campus representatives to sign the checks.

D. Special revolving fund bank accounts

Special revolving funds may be established in separate bank accounts for unique campus situations. These accounts are initially established by a cash advance from the campus vendor revolving fund, and as cash is disbursed from the funds, are reimbursed from the same source. Such accounts may be used at distant operations to make small purchases (for instance at research stations or at operations in foreign countries), or to make small emergency loans to students through the Financial Aid Office.

E. Other revolving funds

Petty cash funds and cashiering change funds are initially established from the campus vendor revolving fund, but are held by the trustees in the form of currency and coin rather than in an official University bank account. Policy and procedure for establishing and using petty cash funds and change funds are described in Sections 330-45 and 330-46.

III. Procedures

A. Special revolving fund bank accounts

Responsibility	Action
Department	1. Submits written request to Vice Chancellor--Administration for establishment of bank checking account, describing its proposed use, its need, its location, approximate monthly value of disbursements, and proposed authorized signatories on checks.
Vice Chancellor--Administration	2. Approves request and forwards to Treasurer along with bank account signature card, bank account general information, and bank account signatory information. OR 3. Disapproves request and notifies originating department in writing of basis for disapproval.
Treasurer	4. Secures approval of The Regents' Committee on Finance; opens bank checking account and informs bank of authorized signatories on checks. 5. Notifies Vice Chancellor--Administration that checking account has been opened.
Vice Chancellor--Administration	6. Notifies originating department and campus Accounting Officer of new bank account.
Accounting Officer	7. Arranges jointly with originating department for order of prenumbered blank check stock. 8. Makes initial deposit to account in an amount equal to two weeks average disbursements.
Department	9. Notifies Accounting Officer of initial and subsequent blank check stock received. 10. Issues checks; retains supporting documentation to provide audit trail of cash receipt and disbursement activity. 11. Biweekly, or more frequently if needed, requests reimbursement of fund by initiating UC Davis Financial Information System (DaFIS) Direct Charge document in the amount of funds disbursed; submits to Accounting & Financial Services supporting documents, marked with both the approved DaFIS Direct Charge document number and the bank account number, that conform to standards prescribed by the Accounting Officer.
Accounting Officer	12. Makes additional deposits to account based on requests made by originating department for amounts disbursed. 13. Reconciles bank's monthly statement for account.

B. Petty cash funds

Although petty cash funds do not involve the use of official University bank accounts, petty cash

fund trustees may establish a personal checking account to manage these funds. Such petty cash fund checking accounts are not official University bank accounts, and therefore the University's name may not be used as part of the account name. (See Section 330-45)

IV. References and Related Policy

- A. Bylaw 21.4 of The Regents of the University of California (<http://www.universityofcalifornia.edu/regents/bylaws/bl21.html#bl21.4>).
- B. UC Accounting Manual (<http://www.ucop.edu/ucophome/policies/acctman/>):
 - 1. Chapter C-173, Cash: Cash Controls, revised 12/30/99.
 - 2. Chapter C-173-14, Cash: Campus Cash Collection Deposits, revised 3/31/95.
 - 3. Chapter C-173-15, Cash: Check Controls, revised 6/30/98.
- C. UCD Policy & Procedure Manual (<http://manuals.ucdavis.edu/PPM/about.htm>):
 - 1. Section 330-45, Petty Cash Funds.
 - 2. Section 330-46, Cashiering Change Funds.
 - 3. Section 330-55, Departmental Cashiering Operations.