1. PURPOSE

To define agency fund accounts and to outline the policies, procedures and other related standards for accepting, administering and accounting for agency fund accounts, specifically associated to student faculty organizations.

2. RESPONSIBLE CAMPUS DIRECTOR

Controller

3. DEFINITIONS

**Agency Funds**: Monies held by an institution as custodian or fiscal agent for student organizations, individual students, or faculty members. Transactions of agency funds are not transactions of UW System current funds. Therefore, the balances of any agency funds must be shown as a liability to UW System. Any agency fund cash that is invested should be included in the balance.

**Agent**: For the purpose of this policy, UWSP is always the fiscal agent.

4. POLICY

By acting as fiscal agent, the university will receive, hold and disburse funds on behalf of recognized student organizations, faculty and staff. These funds, referred to as agency funds, are not resources owned by the university and should not be commingled with other university funds. Although agency funds do not technically belong to the university, the transactions processed through the agency fund accounts must be consistent with the mission of the university.

**Agency Fund Accounts**

Student Faculty Organization (SFO) agency fund accounts will only be opened for recognized student organizations. Official recognition is voted on by the Student Government Association. SFO agency fund accounts will be opened for faculty or staff based on a review of business purpose and the relationship to the overall university and/or department’s mission.
**Deposits and Payments**

Approval and establishment of an SFO agency account allows organizational funds (i.e. membership dues, fundraising monies, etc.) to be maintained and accounted for separately from segregated fee funds allocated by the Segregated University Fee Allocation Committee (SUFAC). Student organizations should be knowledgeable of their finances, considering both the SFO account and state account, when depositing funds. Funds deposited into a state account should be in accordance to the organization’s planned budget, which is typically limited to ‘Goods for Resale’ when budgeting to start up a fundraising an event. Once a group is established, these funds would then be deposited into their respective SFO account, along with other related membership dues, fundraising dollars, etc., leaving only allocated segregated fee dollars in the state account. If funding is needed to subsidize travel related expenses, a transfer can be made to cover travel costs that exceed allowable budget from the SFO account to the state account. However, a student organization’s segregated fees may not be deposited or transferred into a SFO agency fund account.

SFO agency account transactions are not subject to UW System procurement policies; however, some university policies do apply (see related standards for more information regarding raffles, logo use, travel, and contracts.) Student organizations may make purchases exempt from sales tax by utilizing the university’s sales tax exempt certificate. A student organization may obtain the tax exemption certificate from the SFO office to make the purchase, however the SFO office will not make the purchase on behalf of the student organization.

Segregated fees may be used to support an event sponsored by a student organization, however the student organization must use any revenues generated by the event to reimburse the state account. Any revenues generated by the event in excess of the initial support provided, may be deposited into a SFO agency account. A Profit and Loss Statement, submitted to the SGA Accountant, would be needed as supporting documentation for this type of transaction.

**Related Standards**

Student organizations that choose to raise funds for school purposes by holding a raffle and use the university’s class A or class B raffle license, must run all related revenues and expenditures through the state (six-digit) account. These funds are not to be deposited into the SFO agency account.

Student organizations using SFO agency account funds to purchase apparel, or other merchandise bearing the university logo, must process the purchase through an approved vendor. University logos are property of the university and can only be used with permission from the university.
Student organization traveling on behalf of a UW sponsored event or program (in name or organization) must book all air travel and lodging within the UW System managed travel program. Travel arrangements (air, lodging, car rental) must be facilitated through the SGA Accountant.

Use of the university’s tax identification number is limited to recognized student organizations receiving allocations from SUFAC. If an outside entity contracts with a recognized student organization and require the university’s tax ID, the contract must be signed by a university contracting authority. All revenue and expenditures relating to the activity must be transacted through the state (six-digit) account. If there is no requirement to utilize the university’s tax ID number, and funding will transact through an SFO account, the contract should be counter-signed by a university contracting authority. Procurement related contracts are reviewed and signed by the Purchasing Manager; all other contracts are reviewed and signed by the Controller.

5. PROCEDURES

A. Request a New SFO Agency Account
Recognized student organizations and university faculty are allowed to open and maintain a SFO agency account. A new Student Faculty Account (SFO) Authorization Form must be submitted to request a new account.

B. Maintain SFO Agency Fund Account
When there is a change in fiscal year (July 1), a change in faculty adviser, or a change in authorized student officers, a new SFO Authorization Form must be completed and submitted to the SFO/General Ledger office. The authorization form is the signature card for the SFO agency account and must be kept current with the SFO/General Ledger office.

C. Disbursements from an SFO Agency Account
To obtain tax exemption
1. Tax exemption certificate can be obtained from the SFO office to make purchases.
2. SFO office does not make purchases on behalf of student organizations
   a. Students can request a vendor direct bill an SFO account; tax will be deducted and a certificate will be sent with payment if tax is charged.
   b. Students may make purchases and receive reimbursement from SFO accounts; if tax is charged, students will be reimbursed for tax paid.

Check payments for reimbursement or issued to vendor
3. Complete a SFO Payment Order form
   a. Print the completed form
      i. Payee: individual receiving reimbursement or vendor’s name
      ii. Address: if the check is to be mailed, provide complete address
   b. Obtain the required signatures
      i. Form must be signed by the treasurer
   c. Attach supporting documentation (receipts, invoice, etc.)
Cash disbursement - request of $50.00 or less

4. Complete a SFO Payment Order form
   a. Print the completed form
      i. Payee: individual receiving funds
      ii. Be prepared to provide identification
   b. Obtain the required signatures
      i. Form must be signed by the treasurer
   c. Attach supporting documentation (receipts, invoice, etc.)
      i. If the disbursement is for a reimbursement, the supporting documentation should already be attached.
      ii. If the disbursement is for an advance, supporting documentation should be a quote or other justification supporting the advance. A receipt or paid invoice must then be submitted within seven (7) days of receiving the advance.

5. All disbursements are processed through the SFO/General Ledger office located in Old Main – Room 001.

6. Checks are issued on Monday, Wednesday and Friday according to the below schedule:

<table>
<thead>
<tr>
<th>Received by:</th>
<th>Available after:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>Monday 3:00pm</td>
</tr>
<tr>
<td>Wednesday</td>
<td>Wednesday 3:00pm</td>
</tr>
<tr>
<td>Friday</td>
<td>Friday 3:00pm</td>
</tr>
</tbody>
</table>

D. Deposits made to an SFO Agency Fund account
   All deposits for SFO agency fund accounts are made at the Information & Ticket Office located in Dreyfus University Center (DUC) – Room 102D.

E. Negative Balances Prohibited
   SFO agency fund accounts are not permitted to carry negative balances. SFO agency fund accounts must maintain a positive balance at all times.

F. IRS Form W-9 and 1099-Misc Information Returns
   Form W-9 – Request for Taxpayer Identification Number and Certification – is a commonly used IRS form. Individuals and entities use the form to provide their taxpayer identification number to entities that will pay them income during the tax year. The information is then used to prepare a 1099-Misc information return at the end of the year. Student organizations using an SFO agency fund account to issue payments to individual and entities do not need to collect a form W-9, as 1099-Misc information returns are not completed for student organizations. Information
returns are not required to be filed by entities that are not actively engaged in a trade or business, which is the case for student organizations utilizing their SFO agency fund account.

6. REFERENCES and RELATED DOCUMENTS

- **Internal Revenue Service** – Form 1099-Misc
- **Internal Revenue Service** – Business engaged
- **SFO Payment Order Form**
- **Student Faculty Organization (SFO) Authorization Form**
- **University System-Wide Travel Policies**
- **UW System Administrative Policy 820**: Segregated University Fees
- **UWS Financial Reporting for Agency Funds**
- **UWSP Student Involvement and Employment Office**
- **WI Department of Administration – Charitable Gaming**
- **WI Department of Revenue Publication 204**: Sales and Use Tax Information for Colleges, Universities and Technical Colleges

7. POLICY HISTORY

   Effective Date: 03/01/16
   Approved: 02/25/16

   Approved by: Vice Chancellor for Business Affairs

   Updated: 11/8/17 – formatting, depositing, tax exemption use, SPIN procedures
   Updated: 9/19/18 – clarify deposit/transfer of funds, lodging requirement, W-9 and 1099-Misc

8. SCHEDULED REVIEW

   September 2023