



Departmental Agency Accounts

Occasionally, it may be necessary for a University department to set up an agency account, with approval of their department head. When administering agency accounts, the University is acting as a fiduciary agent to receive and disburse funds for another entity – agency funds do not represent revenues or expenses and are reported as cash and “deposits held in custody for others” on the University’s financial statements. If the funds being collected constitute “revenue” to the University, an agency account is not permissible.

Procedures:

- Departments wishing to establish an agency account are required to complete the **Departmental Agency Account Request** form.
- The Departmental Agency Account Request form is submitted to and reviewed by General Accounting (Senior Accountant). If approved,
 - The Senior Accountant will obtain a completed **Signature Authorization Form** from the department.
 - The Financial Reporting Analyst will set up the new agency account (81xxx) in Banner and send out email notification when the account has been established.
- Department staff responsible for depositing funds should be familiar with University funds handling and deposit procedures (<http://solomon.longwood.edu/studentaccounts/policies--procedures/funds-handling-and-deposit-procedures.php>)
 - All monies collected should be deposited within 24 hours once total receipts exceed \$100, or at least once a week regardless of the amount.
 - A deposit transmittal must accompany each deposit (<http://solomon.longwood.edu/media/cashiering-and-student-accounts/solomon/TRANSMITTAL.pdf>).
 - Deposit documentation should be maintained and reconciled to deposits recorded in the Banner finance system.
- Individuals authorized to approve the disbursement of agency funds must be identified on the **Departmental Agency Account Signatory Form**. A payment request form must be prepared for each disbursement (<http://solomon.longwood.edu/finance/accounts-payable/>).
- General Accounting must be notified immediately of changes in individuals authorized to approve disbursements. A new Departmental Agency Account Signatory Form will be obtained annually.

- Agency account balances may be verified by contacting Tiffany Dempsey (434-395-2416, dempseyte@longwood.edu).
- Departments may not use the University's tax identification number at any time without the expressed written consent of Accounting and Financial Reporting.

Contact Information:

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