



**Title: Administration of Agency and Trust Accounts**

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**Implementing Procedure**

Date Approved: 12/12/2007

**Division: Administration and Finance**

Date Revised: 11/30/2010

**PURPOSE**

Trust and agency funds are used to account for resources held and administered by the College when it acts in a fiduciary capacity. Trust funds are used to account for assets held by the College in a trustee capacity. Agency funds are utilized to account for assets held by the College as an agent for individuals or other funds.

In accordance with The Accounting Manual for Florida’s Public Community Colleges, this fund is used to account for resources held by the College as custodian or fiscal agent for others, such as funds of student or staff organizations/clubs and temporary revenue/expenditures accounts that serve as clearing accounts for the College.

Transactions of Agency funds represent charges or credits to the individual asset and liability accounts.

Agency accounts are classified into two groups:

Clearing accounts – Temporary accounts to aid the College in distributing income and expenditures between funds.

Organizations – Activities of students, staff, or faculty or other organizations indirectly related to the College.

**PROCEDURE**

1. Agency accounts for the College of Central Florida clubs and organizations are setup as follows:
  - a. The College will assign the department number for funds raised or acquired by the club.
  - b. All clubs and organizations will deposit funds with the College. There shall be no separate bank accounts for them. Examples of clubs that are agency accounts are: Club of Educational Opportunity, Stand-Two, African American Student Union, Health Information Technology Students Club (HITS), and the International Club. Examples of Organizations that are agency accounts are: AFC, Student Nurses Association (SNA), Variations, College Band Trust, Journalism, Drama, and Athletics.
  - c. For expenditures, clubs need to have minutes from a meeting outlining any expenses they wish to incur. The sponsor will request funds through the Request for Check (RK) system through Accounts Payable. The backup documentation must include an invoice and the minutes. The Request for Check (RK) will follow the approval system. The Request for Check (RK) must be approved by the Business Office and a Dean, Vice President, or Provost.

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- d. Organizations can use the funds to enhance and publicize their organization. They can use funds for the purchase of food, materials, and trips. No grants or scholarships may be issued directly from Fund 6. Funds may be used to subsidize scholarships for student from Fund 5. A transfer of funds to Fund 5 is required and a memo of authorization approved by a Vice President or Provost is required as well and must be sent to the Office of Financial Aid. The processing of scholarships is accomplished by the Financial Aid Office. Scholarships are to assist students with scholastic needs. Scholarships must be originated through Financial Aid.
- e. Fund 6 is also used for a clearing account for payroll, third party bills through the Bursar's office and Public Policy Institute, Alumni Trust, and Senior Institute. Fund 6 cannot be used for salaries.
- f. There will be occasions when specific accounts become inactive or dormant for a number of reasons. For any accounts that are dormant, that is, has no activity, for a period of 24 consecutive months or more, or if the organization has been dissolved, the account will be closed and any balance of funds shall be moved to a designated Student Life account as determined by the Chief Financial Officer.

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Vice President, Administration and Finance

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Date

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Approved by President

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Date