



Administration and Finance

Policy No: 3352

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Approved by:
Marc E. Wasserman
Director
Financial Services

Approval Date:
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Refer Questions to:
Working Fund Clerk
410-706-6746

USM Board of Regent's
Policy Reference:
N/A

Policy Name:
Working Fund

Policy:
The working fund serves as an expeditious payment system for campus disbursements, such as membership dues, subscriptions, student emergency loans, employee payroll advances, etc. It is not an alternative to the payment of invoices through Accounts Payable or other transactions normally processed through Accounts Payable. The VISA Procurement card should be used for transactions that accept credit card payments.

Definitions and Terms:
N/A

Purpose:
To provide an efficient and effective payment mechanism for campus disbursements.

Scope:
The Working Fund is a campus administered checking account with an advance from the State Treasurer. The following are types of transactions processed by the Working Fund:

- Student emergency loans
- Employee payroll advances/promissory notes
- Membership dues to academic and professional associations
- Subscriptions to academic and professional publications
- Study participant payments
- Catering (prior to event)
- Deposits in relation to purchase orders for event space (i.e. commencement, convocations, conferences & seminars)
- Conference booth rentals and related costs
- Dental clinic refunds
- Interlibrary loans
- Miscellaneous emergency payments
- Split student loan checks
- Reimbursement of payroll promissory notes
- Split postage checks from the State.

Restrictions and Exclusions:

- A. No payment of consulting fees
- B. Invoices related to purchase orders must be paid through Accounts Payable, except for the payment of a deposit for event space rental which will be designated on the purchase order.
- C. This is not a replacement for confirming requisitions.

Policy No: 3352**Policy Name:**
Working Fund**Responsibilities:**
N/A**Related / Impacted Policies:**
N/A**Procedures:**

The working fund request form must be filled out as shown in the sample forms (Attachment A). It is required that the Department Head's and Fund Custodian's signatures or their designee's signatures be affixed to every request. The Department Head's and Fund Custodian's signatures must be two different signatures. Two copies of the supporting documentation must be attached to the request.

- I. The following working fund requests require the specific document listed:
 - A. Student Emergency Loan - Student Accounting Loan Collections submits a student emergency loan form and supporting documentation from Student Financial Aid or the schools.
 - B. Payroll Advance
 1. Promissory Note - Memorandum from department citing reason for requesting payroll promissory note for 50% of the gross amount due which must be signed by Financial Services – Payroll Section, before the note will be issued.
 2. Advance Form - The department will submit a payroll advance form with payroll certification card(s) for 50% of the gross amount due for approval to Financial Services – Payroll Section.
 - C. Study Participant Payments - Principal investigator has the following options to receive funds to pay study participants:
 - Working fund request form and list of study participants (name, SSN, & amount) for individual checks
 - Working fund request form for lump sum amount with receipts to follow, once dispersed to the study participants
 - Working fund request form for lump sum amount with confidentiality Certificate
 - D. Catering - The department submits working fund request form for catering with agenda, list of attendees and copy of invoice. Afterwards, requesting department must get invoice signed by the caterer for receipt of the payment and forward to Financial Services – Working Fund.
 - E. Deposits in relation to Purchase Order for Event Space - In the case of events space rental, a purchase order is issued in relation to the contract. If the contract cites that a deposit is required, Procurement reflects the deposit in the body of the purchase order and forwards a copy of the purchase order and supporting documentation to Financial Services – Working Fund. It must be noted that the balance on the purchase order has to be paid through Accounts Payable.

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Working Fund - Procedures

- F. Dental Clinic Refunds - The Dental Clinic submits the refund memorandum and supporting documentation.
 - G. Interlibrary Loans - The Health Sciences and Human Services Library submits a listing of the interlibrary loans and the related invoices from the lending institutions.
- II.
- A. An individual will review working fund requests and documentation, after the check has been issued. The reviewer will initial and date each request. Working fund requests that are not approved will be returned to the initiator with an explanation and the check will be voided.
 - B. A log will be maintained of the check stock, which denotes the checks in the printer at the beginning of the day, the checks used that day and the check remaining at the end of the day.

Unused Checks

- A. Defacing Checks - The face of the check should not be written on (such as void).
- B. Stale Dated Checks - Checks that are dated six months after the issuance date of the checks are considered stale dated and should be returned to the working fund.

Please return checks in original condition.

Sample Forms:

- A. Working Fund Request Form
- B. Payroll Advance Form
- C. Payroll Promissory Note/Memorandum
- D. Dental Clinic Refund