

# The Official Handbook of the Office of Finance

Revised and Proposed, May 2021

## ARTICLE 1. Associated Student Body (ASB) Office of Finance

### SECTION 1.01 ASB Office of Finance

#### (a) Name

- (i) The name of this office shall be called "The ASB Office of Finance."

#### (b) Establishment

- (i) In compliance with Article I, Section 4 of the *"Bylaws of the Constitution of the Associated Students of Point Loma Nazarene University"* this Handbook for the Office of Finance has been established.

#### (c) Purpose

- (i) To quickly and accurately provide the Associated Students access to their ASB held finances, as well as assisting in coordinating, advising, and directing the financial decisions of any ASB sponsored club or group.

### SECTION 1.02 ASB Director of Finance

#### (a) Purpose

- (i) To manage all ASB financial and accounting accounts.

#### (b) Responsibilities

##### (i) ASB Accounts

- i. Maintain four office hours per week, where you will maintain a presence in the office, being available to meet with constituents.
- ii. Ensure accuracy of the financial position of all ASB accounts in a timely manner.
  - 1. Through ASB Accounting, provide and certify timely and accurate financial information to established stakeholders of the various ASB accounts at least monthly.
    - a. ASB Board of Directors
    - b. Director of Community Life
    - c. Clubs and Societies
    - d. Media Board Bodies
  - 2. Meet with various ASB stakeholders
    - a. Media Board
      - i. Run an annual Media Board meeting at the beginning of the first semester to outline a proposed budget and discuss plans for the upcoming semester.
      - ii. Meet as needed throughout the year with the various staff and student personnel.
      - iii. Prepare weekly statements of account for each body.
    - b. Clubs and Societies
      - i. Meet with Club and Society Officers during LEAD Week to outline the *Financial Code of Operations* (FCO) and answer any questions.
    - c. Board of Directors (BOD)
      - i. Prepare a recommended budget for the incoming board based on experiences from the year having served. Meet with the incoming board in the second semester.
      - ii. Propose annual budget to Student Government BOD during Pre-LEAD and/or LEAD Week as well as outline the FCO and answer any questions.

- iii. Meet with the Director of Community Life bi-weekly to outline the financial progress of ASB.
- iv. Prepare a monthly budget update to the BOD during a Board Meeting to outline the financial progress of ASB.
- v. Keep track of ASB Employees and make sure the payroll department receives the correct list of stipends to pay out.

**(ii) ASB Financial Decisions**

- i. Ensuring accurate reporting of ASB revenues and expenditures from ASB Accounting as well as maintaining proper spending habits as outlined in the FCO and financial user agreement.
  - 1. Maintain close contact with:
    - a. ASB Office of Activities
      - i. Plan a rough meeting schedule in accordance with the schedule of that year’s activities.
      - ii. Evaluate performance and review records of revenues and expenses.
      - iii. Provide reports as they ask for them about various events.
    - b. ASB Office of Student Relations
      - i. Meet prior to approval of allotted amounts to clubs and societies at the beginning of the academic year.
      - ii. Meet with Student Senate during budget allocation and assist them as needed.
      - iii. Meet as needed regarding issues with club and society spending.
  - 2. Maintain close review of debit cards, **ensuring accurate reporting of the Accounting Department.**
- ii. Approving or disapproving Physical Plant and Motorpool charges to ASB
  - 1. Emails will be sent to the Director of Finance from those responsible for Physical Plant work orders as well as Motorpool vehicle usage.
  - 2. It is the Director of Finance’s responsibility to approve those transactions before they can be processed.
- iii. Ensure all funding procedures are established and monitored
  - 1. All clubs/societies must complete a funds request prior to using funds.
  - 2. All clubs/societies must submit receipts for debit cards and check reimbursement in a timely manner.

**(iii) ASB Accounting**

- i. Hire one *accountant*.
  - 1. See below in the ASB Accounting Section for job requirements.
  - 2. Participate in the interview process with the incoming Director of Finance as he/she interviews potential assistants.
- ii. Hold staff meetings as needed.
- iii. Know every duty of the ASB accountant and be an available resource for assistance.
- iv. Deposits
  - 1. Completed when necessary, in coordination with the ASB Accountant.
  - 2. During meetings with assistants, match up amounts as indicated on deposit slips and locate any discrepancies.
  - 3. Enter amounts into QuickBooks.
    - a. For Checks:

- i. Make an entry in the “Checks on Hand” account.
    - ii. Type receipt number under number column.
    - iii. Make sure the name is “Deposit.”
    - iv. Make sure the amount is in the “Deposit” column.
    - v. Make sure to enter something in the memo column. If they didn’t indicate what the deposit is from, you can look at the memo section of the checks to get some kind of idea.
  - b. For Cash:
    - i. Make an entry in the “Cash on Hand” account.
    - ii. Type receipt number under number column.
    - iii. Make sure the name is “Deposit.”
    - iv. Make sure the amount is in the “Deposit” column.
    - v. Enter a memo to describe what the deposit is for.
- v. Bank Runs (done as needed)
  1. Record all deposits in QuickBooks, exactly as they occur (i.e. reduce the amount in the appropriate on hand account and increase the amount in the Checking Account).
  2. Make sure to have the **ASB Checking Account Number** on hand in case the Priority Banking representative is unavailable.
  3. Once the deposit is made, indicate cash and check amounts on receipt and file in the deposit folder.
  4. If anything needs to be changed in QuickBooks, i.e. the cash amount was incorrect, do so.
- vi. Chase Bank Statements
  1. Review work of ASB Accounting to make sure the amounts are reflected correctly
  2. Monitor debit card activity to ensure proper use of account funds.
  3. At year’s end, cancel current cards and begin the process to receive new Debit cards as soon as possible.
  4. Create a running list of who each card is allocated to. Update list whenever a new card is issued. Make sure the current limits are up to date for each account as well.
  5. Track transactions for each card and allocate the spending to the appropriate account. If the account becomes overdrawn, place a hold on the accounts debit card and reissue the card when the account has a positive balance again.
  6. Make sure the accounts turn in all of their receipts and all transactions are processed weekly. Reconcile bank balance with various transactions and note if there is no receipt received.
- vii. Monthly Audits
  1. Every month there will be an internal audit performed by the Accountant and Director of Finance. The accountant will audit all transactions. This is to ensure that every transaction is accounted for correctly and appropriately.
- viii. Bank Reconciliation
  1. Review work of ASB Accountants and make sure amounts are reflected correctly.

**(iv) Singular Duties**

1. April/May: Budget Proposals

- a. The last job for the outgoing Director (in collaboration with the Director of Student Relations) is to send a form to all ASB accounts requesting budget proposals for the upcoming year. The new Director will take this form, and utilize it to create the upcoming budget.
  - b. The incoming Director will finalize the budgeted amounts with Board approval during Pre-LEAD/NSO time at the start of the next school year.
2. Summer: Close the Books- The fiscal year for the school runs from July to June, and this is the period the books should run. The books cannot be finalized until the Business Office Statement for June is received. Plan to spend at least 10 hours in closing the books, as well as significant time revising the Financial Code of Operations. The revised FCO needs to be presented to all the Class/Club Presidents during LEAD Week, and a copy is to be provided to every Club President and/or Treasurer. Their copy must be signed and returned to the Director of Finance before they gain access to their account (including use of their debit card).
  - a. Make sure that all the accounts, especially the Business Office Bill (BOB) are totally finalized, reconciled, etc. In other words, make sure that all the miscellaneous charges have been researched thoroughly.
  - b. Zero out all club and society accounts subsidized solely by ASB, all of the ASB office accounts (i.e. Activities, Spiritual Life, etc.), and all ASB accounts (i.e. Office Expense, Equipment, etc.) into the Opening Balance Equity account. The balance of any other accounts in which deposits were made other than money given to them by ASB (such as dues, donations, or fundraisers), and all Media Board accounts shall transfer over into the same group's account in the new books.
  - c. Enter the amounts leftover in the rollover accounts into QuickBooks.
3. August: Write the Financial Code of Operations
  - a. Update the FCO from past years and create a new cover letter. Take it to the Copy center and make enough copies for the presidents/treasurers of all the clubs at LEAD Week. Also remember that the FCO will be presented to the club leadership at the Financial Workshop, so make a lot of copies.
4. August: Open your new Books
  - a. Create a transaction to transfer funds from ASB Budget to the various ASB accounts as stipulated by the approved budget.
  - b. Contact the Accounting & Budgeting analysts for an estimated budget.
5. ASB Retreat
  - a. Look through previous year retreat budgets to determine how much the current board will have to spend. Hold the board accountable to make sure that ASB funds are being treated properly.

**(v) Other Responsibilities**

i. Training

1. To prepare the incoming ASB Director of Finance by training her/him for a sufficient number of hours to ensure a smooth and successful transition.

- a. Go through every responsibility of the Director of Finance, as well as the responsibilities of ASB Accounting.
- b. The new Director should be competent in all areas that fall under the Office of Finance.
  - i. Utilize the Accountants' knowledge of their duties to aide in the training of the new Director of Finance.
  - ii. Comply with the approval process set forth by Student Senate prior to each service award payment by the ASB which certifies that all duties have been fulfilled, or enumerating any exceptions and reasons therefore.

**(vi) Protocol**

- i. The Director of Finance should not hold any significant influence in any ASB sponsored club or society.
  - 1. Prior to taking office the Director of Finance should disclose all previous club/society involvement to the Director of Community Life.
- ii. Determination of the Rollover Available for the current year.
  - 1. Make sure to leave enough money for a buffer of roughly \$150,000.
- iii. Non-Sufficient Funds/Returned Checks that are deposited
  - 1. Make entry in Check Register for "NSF Check" and take the amount the check was written for back out of the account it was written originally deposited into (usually apparent by who wrote the check, amount or memo).
  - 2. Call the treasurer for the respective club. Call the person who wrote the check and have them write a new one. No fees. This is important though because their account will lose whatever money was originally deposited. Keep the copy of the notice from the bank in the Non-Sufficient Funds file, along with the bounced check.
- iv. Account Adjustments
  - 1. Once in a great while, a transaction will occur for an ASB subsidized account, which should have occurred during the previous year. If this occurs, the account in question should be adjusted to reflect this charge. Make a transfer into the appropriate account from the Opening Balance Equity account for that amount that the account had been charged. Simply, title the memo "(Previous school year i.e. 02-03) Adjustment"
- v. Transfer of Power
  - 1. Every time a new Board is elected, certain company accounts will need to change.
    - a. Chase Bank - The checking account and savings account should be changed so that the Director of Finance and Director of Community Life are all signers for the account.
    - b. Oversee the transition of secretary for all Chase savings and checking accounts.
- vi. Fines via ASB Board
  - 1. Once in a great while a fine may be levied by the ASB Board to a student. This is charged to their student account from Student Financial Services. The Director of Finance is responsible for communicating the fine amount to the SFS office.

**Section 1.03 ASB Department of Accounting**

**(a) Name**

- (i) The name of this department shall be called “The ASB Department of Accounting.”
- (b) Establishment**
  - (i) In order to provide significant checks and balances as well as accurately and ethically account for ASB held finances.
- (c) Purpose**
  - (i) To quickly and accurately provide all entities under ASB information and access to their ASB held finances.
- (d) Personnel**
  - (i) Two individuals will be hired by the ASB Director of Finance and the positions will be titled “ASB Accountant”
    - 1. The Accountant must have taken or be currently enrolled in accounting courses ACC 201 or 202, as well as being an accounting and/or finance major.
    - 2. Petitions to the major requirements must be approved by the Student Senate.
    - 3. They both must be non-graduating students and maintain a 3.0 GPA or above.
    - 4. Hourly expectations are an average of 5 hours per week. Hours will vary depending on the flow of monthly duties.
- (e) Responsibilities**
  - (i) Accountants**
    - i. Deposits
      - 1. Physical Deposits
        - a. Check the deposit drop box with the Director of Finance and submit deposits into the safe, and in Quickbooks, every week at a specified time.
          - i. Weekly deposit count performed once a week.
            - 1. Open mailbox and take out the deposited envelopes
            - 2. Open envelopes and make sure the information on the envelope matches the funds within the envelope.
            - 3. Receipt deposits.
          - ii. Enter deposits in QuickBooks indicating when, who, and how much. Separate cash and checks.
          - iii. For checks: Endorse each check with signature.
          - iv. For cash: Separate cash into denominations and count it.
          - v. Separate out checks and cash from envelopes. Place cash in the safe and deposit checks via the Chase online app. If the check is too big to be deposited electronically, then deposit it at the bank as soon as possible.
          - vi. If unable to go to the bank immediately, place the check in the ASB safe. Make a copy of each of the deposit envelopes and file in office records.
          - vii. Sign original deposit envelope and place in file.
        - 2. Online Deposits
          - a. Check the three Receipt Submissions forms to input all transactions from the prior week
            - i. Enter deposits in Quickbooks
              - 1. Click on the “Transfer” button
              - 2. Enter the proper debit card number and account
              - 3. Enter all correct information, including amount, date, and memo
              - 4. Submit transaction
    - ii. Bank Reconciliations

1. **Reconciliations should be done weekly and then monthly.**
  - a. Checking
    - i. Obtain bank statements from the previous week/month (Weekly transactions can be observed on the Chase online account, and entire monthly statements are generated on the Chase online account).
    - ii. Go through the transactions of the previous week/month, and match and mark the transactions that have been submitted into the books.
    - iii. The books should be balanced. If not, then look for improper or omitted entries in the books, and also improper bank charges.
  - b. Savings
    - i. Generated monthly.
    - ii. Follow the reconciling guidelines as set up in the previous section.
- iii. Bank Runs
  1. As necessary, the Director of Finance and Accountant must open the ASB safe and deposit the accumulated checks and/or excess cash.
  2. Make sure the Director of Finance enters the deposit in QuickBooks and saves receipt.
- iv. Reconcile Business Office Bill (BOB)
  1. Look through all of the charges on the QuickReport for the Business Office Bill account that have already been paid, and find them on the Business Office statement. Take a red pen, and mark through this charge on the Business Office Statement to note that this charge has already been paid.
  2. Go through the remaining transactions in the Business Office Statement and allocate them to the appropriate places. Certain accounts should be noted:
    - a. Bookstore: Go through the receipts received when people use the charge cards, and mark on the bookstore statement the organization to which each transaction belongs. If you don't know the person who made the transaction, try to discern which ASB account they belong to. Contact the Bookstore to get a copy of this list of itemized charges if needed.
    - b. Motorpool: Physical Plant usually sends an itemized list of the month's charges. Check this list to determine what group(s) should be charged. Call the Physical Plant to get a copy of this list if needed.
    - c. Mail Services: Generally, these charges should be broken up by organization on the Business Office Statement. Usually there is a general ASB charge for which no organization claimed. Try to determine the organization to which this charge belongs, but charge it to Office Expense if this endeavor fails.
    - d. Move Crew (Physical Plant): At the end of the month, the person in charge of Move Crew should send a list of all charges, including the order number and the amount charged for each order. Go through the list of orders, and then match up the order with the group it was requested for. Allocate the charges accordingly.
    - e. Reprographics: Every month a statement will be delivered to ASB. Verify which ASB accounts should be charged with Reprographics.
    - f. Phone Bill: Allocate telephone equipment expense among the appropriate ASB accounts.

3. In general, the Business Office statement should come about the 4<sup>th</sup> week of the following month. If there is an error, let the Business Office know. Even when billed incorrectly, still pay the full amount of the charge for that month. Simply place a note in the Business Office folder that a correction should be coming for the next month, and which account the correction should go into. If the transaction doesn't occur the next month, contact the Business Office to let them know. Also, if a charge is not understood contact one of the Accounting Assistants.
  4. Enter all of the charges into the Business Office account, and allocate them to the appropriate group. The charges should add up to the same amount as the Business Office statement. If not, go back through the charges to make sure that they were allocated properly. If not, look for any other potential errors. If the amounts do not match, the Business Office probably back billed ASB farther than our statements show. If the amount isn't very much, simply make a "BOB Discrepancy" entry for the appropriate amount to balance the books. Now fill out a check request form for the appropriate amount, write a check made out to Point Loma Nazarene University, and then send the check through interoffice mail to the Business Office.
- v. Cash Advance
1. Make sure that the Cash Advance form has been signed, dated, initialed, etc. and ensure that it has been filled out correctly.
  2. Take out the appropriate amount out of the safe.
  3. Meet directly with the individual requesting the advance. All paperwork and money disbursement should be done face to face. Be sure to let the requester know they are personally liable for the return of the Cash Advance.
  4. Place a copy of the Cash Advance form in the "Cash Advance" file.
  5. When money is returned, ensure that the receipts and deposit add up to the proper amount. If this amount is correct, staple receipts to the Cash Advance form, and file appropriately. For the deposit entry in the vault, make sure the memo entry reads, "Name of Individual Receiving the Cash Advance" i.e. "Julie Smith Cash Advance."
  6. If the money and receipts have not been returned within 60 days, email the Student Financial Services office and the student requesting a fine in the amount due from the cash advance. Request a cost center transfer from SFS to ASB in the amount charged.
- vi. Cash Boxes
1. Coordinate with the third party to provide a cash box in a timely manner.
  2. Have a Cash Advance form filled out for the amount of change requested by the requester if applicable.
  3. The box needs to be returned within 24 hours of use by the party.
  4. If applicable, ensure the amount given as a cash advance is returned in full, if not; contact the requester and proceed with the above steps.
  5. At one time there cannot be more than \$1,000 in a cash box under any circumstances. Arrangements must be made with a cash box user and Accountant in order to keep this from happening.
- vii. Cut Checks - Weekly
1. Click "Check" button at top left of screen in QuickBooks
  2. In check register, fill in information of check:
    - a. Date - date written on check request slip
    - b. Number - should say "To be printed" (if not then check the "To be printed" checkbox in the middle of the screen).
    - c. Payee - type in name or organization check is to be made out to

- d. Payment - make sure the amount of check is in this column
  - e. Address - make sure that the address is deleted
  - f. Account - put in the account that is paying for the check
  - g. Memo - type in whatever information is pertinent
  - h. Make sure that accounts have sufficient funds
3. Print checks:
    - a. Click Print, Print Batch, and choose checks from the menu.
    - b. Make sure that "First Check Number" matches the number of the first check to be printed, and then click "OK"
    - c. Load checks face down in the printer with the lowest number check on top. Make sure the top portion of the paper is facing outward from the printer and the bottom portion of the paper is fed first.
    - d. Click on "Print"
    - e. Click "OK" for the box that asks if checks have been printed correctly.
  4. Separate bottom check stub from rest of check
    - a. Attach any receipts or invoices to the bottom check stub along with the white copy of the check request form and file.
  5. Place check in appropriate mailbox or mailbag if mailing off campus.
- viii. Financial Reports
1. Weekly
    - a. Clubs and Societies
      - i. Emailed to club contacts (given by Student Relations) and to those requested.
    - b. Board of Directors
      - i. Each officer should receive a report for every account they are responsible for (e.g. Executive Secretary - Executive Secretary Office Expense, Homecoming, ASB Meeting Expense, etc.).
- ix. Assignment of Duties
1. The Director of Finance is to meet with both Accountants to determine how they wish to split their weekly duties.
    - a. It is recommended, but not required, for the Accountants to alternate their respective duties from time to time.