

Trust Account Policy

California State University, Dominguez Hills Foundation

PURPOSE

The purpose of this policy is to articulate the terms and conditions governing the creation and use of trust (agency) accounts held by the Foundation for campus programs. Trust accounts, otherwise known as “campus program” or “agency” accounts, are non-general fund receipts held in trust by the Foundation on behalf of the University.

POLICY AND PROCEDURES

Consistent with CSU Executive Order 1059 (Utilization of Campus Auxiliary Organizations), the Foundation “may accept or administer campus funds as an agent of the university (except those revenues listed below) when specifically authorized in writing by the campus president or his/her designee.” Revenues specifically not allowed to be held in Foundation trust accounts are:

1. Revenues from CSU systemwide mandatory fees which includes student fees established and adjusted by the Board of Trustees and that must be paid to apply to, enroll in, or attend the university, or to pay the full cost of instruction required of some students by state statute.
2. Revenues from campus mandatory fees which include student fees established for a campus and that must be paid to enroll in or attend the university.
3. Revenues from campus student fees directly related to any state-supported course of instruction which includes Miscellaneous Course Fees and fees for materials, services, field trips, and travel.
4. Revenues from fees paid by matriculated CSU students to attend campus self-supported instructional programs for academic credit.

Trust accounts may be established by campus departments with administrative approval of the Division Head, the Vice President for Administration and Finance, and the Foundation’s Chief Financial Officer, subject to the restrictions noted above. The trust account application shall articulate the purpose of the account, the authorized signers, the benefit to the institution, and the types of expenses allowable. The account(s) shall expire three years from their establishment, unless renewed. This shall ensure that all trust accounts are periodically reviewed by the Foundation not less than every three years.

A 10% administrative handling fee is assessed on revenue deposited into trust accounts. This is a one-time assessment on all revenues, excluding gift income (donations), interest income allocations, and transfers between accounts.

Trust accounts are non-interest bearing. The Foundation, subject to its Accounts Receivable Policy, may invoice third parties on behalf of the trust account and will make reasonable efforts to assist in collecting outstanding A/R. Under no circumstances will any petty cash/change funds be opened, maintained, funded, or reimbursed using trust accounts.

Any trust account overdrafts must be approved in advance by the Chief Financial Officer or the Executive Director. A cash balance report shall be reviewed on a monthly basis by an Accounts Technician and the Foundation CFO.