



## Bank Accounts

Effective Date: August 1, 2018

Last Revision Date: August 27, 2019

### 1. PURPOSE

The purpose of this policy is to establish appropriate bank account control procedures to protect University assets and minimize risk of financial loss. This policy will provide requirements for opening, updating, reconciling, and closing bank accounts.

### 2. RESPONSIBLE CAMPUS DIRECTOR

Controller

### 3. DEFINITIONS

**Bank Account:** For the purpose of this policy, UWSP bank account means all bank accounts opened for the University, or any of its schools, departments, centers, institutes or programs; and with the University of Wisconsin System-Non Payroll tax identification number.

### 4. POLICY

A University bank account may only be used for legitimate and allowable revenue and/or expense activities of the University. Proposals for new bank accounts must be submitted by University departments to the Controller's office and the decision to open a bank account will be at the discretion of the Vice Chancellor of Business Affairs.

All University bank accounts must either have the University of Wisconsin System federal employer identification number (EIN), or the equivalent as consistent with the applicable laws of the local jurisdiction where the University is registered to conduct business. The name "University of Wisconsin-Stevens Point" must be in the account title.

University affiliated organizations that are not conducting University department business activities (i.e. alumni clubs, fraternities, etc.) are not permitted to establish bank accounts in the University's name or EIN. Student groups are not permitted to establish bank accounts unless they are separately incorporated and under no circumstance may they establish bank accounts in the University name or EIN. Student groups requesting a bank account under a separate incorporation must request

approval for an 'outside bank account' through Campus Activities and Student Engagement. Student Faculty Organization (SFO) banking is available for student groups through the General Ledger Office.

Annually, correspondence is sent to local financial institutions providing our University name and EIN to confirm open depository bank accounts.

## **5. PROCEDURES**

### **1. Choosing a Bank**

In accordance with UWSA Policy 310, selecting a public depository requires a contractual relationship approved by the Depository Selection Board. If a new public depository is requested, steps outlined in UWSA Policy 310 must be followed. Expanding accounts or minor changes in services within existing contracts do not require the Depository Selection Board process and approval.

The University has existing bank accounts inside and outside the United States for purposes of holding and distributing funds. These existing accounts will satisfy the bank account needs of almost all business units. However, in limited circumstances, authorization may be given to open a new account when needed by a department or program to conduct University business.

### **2. Authorization for Opening Bank Accounts**

A bank account owned by or containing funds belonging to the University (including any school, department or other unit of the University) may only be opened or maintained with the knowledge and written approval of the Controller's office. University bank accounts must be authorized by the Vice Chancellor of Business Affairs.

All University bank accounts must have the University's federal Employer Identification Number (EIN) and the name "University of Wisconsin-Stevens Point" in the account title, and no other bank accounts may use that number or name.

Requests to open a bank account must include the following:

- Account Specifications
- Intended length of account or program and source of funds
- Explanation regarding purpose of account
- List of authorized signatories on the account
- Responsible person(s) for account reconciliation
- Approval of account request by appropriate department/unit head.

### **Authorized Signatories**

All bank signatories must be University employees and one of the authorized signers for each account must include the Controller, unless other arrangements are approved in writing by the VC of Business Affairs. No account should have more than five authorized signers, including the Controller.

### **Online Electronic Access**

Requests for new or updated online electronic access to bank accounts must be made through Controller. Only authorized signers will have access to transact (book transfers, etc.) on accounts; all other approved access will be limited to view-only access.

### **3. Updating Bank Accounts**

An update to bank account information would be required for any of the following:

- Change in authorized signers
- Change in the purpose or type of account
- Address change
- Receipt of bank communications regarding bank procedures and/or systems
- Change of responsible person(s)
- Change in employment status for employee with online access

Contact the Controller's office to request an update for any of the above changes, especially changes/updates to signers as a result of employment changes as this requires prompt revision to the bank account signature card and/or resolution.

Annually, per UWSA Policy 310, a list of bank accounts, including account name, number and name of all authorized signatories for that account is reviewed by the Controller and provided to UW System Administration.

### **4. Reconciling Bank Accounts**

#### Monthly Reconciliation Preparation:

All bank accounts must be reconciled monthly by the person specified as responsible for reconciling the bank account (this individual must be different from the authorized signatories). Once the reconciliation is in balance, the preparer must sign and date the reconciliation form and forward the reconciliation, schedules of outstanding checks and/or deposits in transit, a copy of the bank statement and any additional supporting documentation to Financial Operations to be reviewed and approved.

#### Monthly Reconciliation Delivery/Review:

Completed bank reconciliations must be submitted monthly to Financial Operations for review by the end of the following month. A manager in Financial Operations completes independent verification. Once review is completed, the manager will countersign the reconciliation. Reconciliation review should consist of the following:

- Confirm completeness of reconciliation and supporting documentation

- Verify period ending bank balance on reconciliation to bank statement
- All reconciling items and adjustments to the Bank balance make sense, and there are no old deposits in transit or outstanding checks
- Reconciliation is signed and dated by the preparer

Once the reconciliation is reviewed and approved – approval indicated by a countersignature of the reviewing manager – Financial Operations will keep a copy of the reconciliation and supporting documentation for retention and audit purposes.

## **5. Closing Bank Accounts**

Requests to close University accounts must be submitted in writing to the Controller's office. Reasons to close a bank account include:

- Unauthorized activity
- No activity/dormant account
- Change or completion of the business purpose or type of account

The following information is required for requests to close a bank account:

1. The business purpose for the closure
2. Confirmation that the bank account has a zero balance.

Once authorization to close an account has been received, the responsible unit is required to provide confirmation to the Controller's office that the closure has been processed. A final reconciliation must be completed.

Bank accounts that are not in compliance with University policies or are deemed to be no longer necessary to support the activity for which the account was established will be recommended for closing.

## **6. REFERENCES and RELATED DOCUMENTS**

[UWSA Policy 310: Banking](#)

## **7. POLICY HISTORY**

Effective Date: 08/01/2018

Revision Date: 8/27/2019, Updated Monthly Reconciliation Delivery/Review

Approved: 07/11/2018

Approved by: Vice Chancellor for Business Affairs

## **8. SCHEDULED REVIEW**

August 2024