

**California State University, Los Angeles (CSULA) Foundation
Policies and Procedures**

Subject: Clearing Account Policy

Approved: January 24, 2008

Revised:

1.0 PURPOSE

The purpose of this section is to provide information and procedures for California State University, Los Angeles employees who are responsible for accepting and depositing contributions prior to establishing an account, when the appropriate account for the funds has not been determined, when the purpose of the donation has not been determined, and/or when the criteria by which to administer the account has not been articulated.

Reasons for funds being deposited to clearing account including but not limited to:

- A. Contingent of a match
- B. Accounts for which we have no criteria
- C. Memorial contributions to a new account
- D. Designation of gift is undetermined
- E. Checks made to the Foundation for which accounts are administered by University Auxiliary Services, Inc.
- F. Designated contribution for which the account number is to be determined
- G. Point of deposit for contributions to funds that may or may not reach endowment level
- H. Contributions to new accounts prior to creating of a new account number

2.0 POLICY

On behalf of the CSULA Foundation, Business Financial Services will provide an account for the temporary deposit of donations until such time as the appropriate account for the funds has been determined, the purpose of the donation has been determined or the permanent account can be established. Every effort shall be made to transfer balances into appropriate accounts within 60 days. During the period that funds are in the Clearing Account, they are considered as temporarily restricted and are not available to be invested and do not qualify for distribution. Written documentation must be –kept for balances remaining after 60 days.

3.0 RESPONSIBILITIES

3.1 Colleges, Academic Departments/Divisions and University fiscal officers will:

- a. Receive incoming donations
- b. Forward the donation to the CSULA Foundation c/o the Office of Institutional Advancement (Administration 809)
- c. Coordinate with the Foundation to set criteria for new accounts or notify Foundation of the correct account numbers for existing accounts

- d. Forward criteria with appropriate signatures and all back up (i.e., communication from donor, matching gift forms, etc.) to the CSULA Foundation, c/o Institutional Advancement

3.2 The CSULA Foundation will:

- a. Receive incoming donations
- b. Fill out a CSULA Foundation Gift Deposit Transmittal
- c. Deposit the funds into the Clearing Account
- d. Maintain a log of all donations to the Clearing Account
- e. Create and maintain a log by intended use of fund and reason for depositing into clearing account
- f. Coordinate with Colleges, Academic Departments/Divisions and Cal State L.A. fiscal officers to set up criteria for new accounts or identify the correct account number for existing accounts
- g. If needed, request new account be set up through Business Financial Services
- h. Acknowledge the donor in accordance with Foundation policy and IRS standards
- i. Transfer funds into the appropriate account once the account has been set up
- j. Notify the college fiscal officer and the development officer that the gift has been transferred
- k. Record the gift in the Advancement database

3.3 The Business Financial Office will:

- a. Generate and send a monthly log of clearing account activity and deposits including deposit date, description and amount
- b. Create project accounts
- c. Transfer funds from clearing account to designated account as authorized by Foundation
- d. Notify the Foundation when transfer is complete