

**Texas Association of Deans
Of Liberal Arts and Sciences**

Treasurer's Report: January 28, 2013

Fund Balance as of 9/30/2012			\$39,721.69
Registration Fees:			
February 2013 Meeting	<u>3,000.00</u>		
Total Registration fees		<u>3,000.00</u>	
Total Revenues			3,000.00
Expenses:			
Credit card fees	<u>62.50</u>		
Total Expenses			<u>62.50</u>
Fund Balance as of 1/28/2013			<u><u>42,659.19</u></u>

Baylor University, Dean Lee Nordt

Memo to Accompany Treasurer's Report
January 28, 2013

The TADLAS agency fund held at Baylor University has a current balance of \$42,659.19. The previous Treasurer's report for TADLAS was given on October 24, 2012 and reported a fund balance of \$39,721.69. The January report covers the period from October 24, 2012 through January 28, 2013.

The TADLAS account (Baylor financial # 0991399) has been held as an agency fund with Baylor University since 1996. Baylor has recently updated its policy regarding agency funds and requires organizations to comply with the Agency Fund Account Agreement (see attached policy). **Several aspects of the new policy will affect TADLAS operations:**

1. **Credit card receipts** – The University will no longer process credit card payments for agency funds (it's a violation of the University's agreement with the credit card company). TADLAS was given a one-time exception for the February 2013 meeting since it is a long-standing agency fund. In the future, TADLAS won't be able to accept credit cards for registration fees through Baylor. TADLAS can continue to deposit checks or cash via the Baylor Cashier's Office for registration fees.
2. **Payment of Invoices** – Baylor will continue to pay invoices charged to TADLAS as long as all disbursements comply with Baylor policies.
3. **Tax Number/ Tax Exempt Status** - TADLAS cannot use Baylor's Federal Identification Number or tax-exempt status in connection with any activity of the organization. We cannot use Baylor's tax number to be exempt from the Texas State Hotel tax, Texas State Sales Tax, nor use Baylor's name to reserve meeting spaces or venues. Any of these activities will have to be done in the name of TADLAS.
4. **Interest on TADLAS Account** – Effective June 1, 2012, TADLAS no longer received interest earnings on its cash balance with Baylor.

There are several options available:

1. Keep the account at Baylor and operate within the new restrictions.
2. Move the account to another university.
3. TADLAS could open a separate, stand-alone checking account at a bank. This would require that TADLAS have certain organizational documents which might include such things as a federal tax number, etc.

BAYLOR UNIVERSITY

Agency Fund Account Agreement

PART I – Organization Information:

Organization Name: _____

Organization Tax ID#: _____

Authorized Representative: _____

Address: _____

Phone: _____ Email: _____

Requested Term/Effective Dates: _____

Additional Authorized Person(s): _____

Purpose of the account (including anticipated sources of revenues and activities to be funded):

PART II – Agreement:

Whereas, the above named Organization desires to open an Agency Fund account in Baylor University's ("Baylor" or "University") accounting system and the University is willing to open such an account, the parties agree as follows:

1. The person executing this agreement is authorized on behalf of the Organization to execute this agreement.
2. The authorized representative has read, understands and hereby agrees to adhere to Baylor University's policy on Agency Fund accounts.

PART III – Policy:

1. Baylor University will maintain in the University's accounting system a separate Agency Fund account when the University is asked to hold funds as a custodian or fiscal agent for others, such as student organizations, faculty organizations, third party vendors or other separate organizations ("Organization"). These Organizations are legally separate from the University and funded primarily by sources independent of the University.
2. The funds belong to an outside Organization for which a University faculty or staff member is responsible for the financial activity or event and is designated as the Organization's authorized representative responsible for ensuring its activities comply with Baylor policies.
3. The Organization acknowledges that all disbursements are subject to oversight by Baylor and are required to be in compliance with Baylor purchasing policies and procedures. Furthermore, disbursements will be limited to University distributed costs such as printing, postage, mail, telephone, etc. and accounts payable disbursements. Disbursements must be requested by individuals authorized by the Organization.

4. The Organization acknowledges that revenues received for the Agency Fund account will be deposited with the University Cashier's Office. Credit card receipts will not be processed or accepted by the University. Furthermore, the University's IT resources may not be used for the establishment of a website or the collection of revenues.
5. The Organization acknowledges that it is not to use the University's Federal Identification Number or tax-exempt status in connection with purchases or sales by the Organization, gifts to the Organization, interest or other income received by the Organization, or any other activity of the Organization.
6. The Organization shall take affirmative steps in all of its business, and other dealings with third parties to explain its relationship with the University. Some suggested language may include the following: "Although this Organization has members who may be Baylor University students, faculty, staff or alumni, the Organization is independent of the University and is responsible for its own contracts, acts or omissions."
7. The Organization acknowledges that it is responsible for collecting and paying all applicable taxes (sales and use, income, etc.).
8. Except for IRS Form 1099 reporting associated with vendor payments made by the University on behalf of Organization, the Organization acknowledges that it is entirely responsible for its tax and regulatory filings.
9. Financial reporting for an Agency Fund account is available to authorized individuals through the University's financial system as provided for other University departments/accounts.
10. The Organization accepts all responsibility and liability for its activities and agrees to fund the Agency Fund account in advance to cover all activities. The Organization will maintain a positive cash balance in the account unless prior approval has been given to overdraw the account due to an anticipated temporary condition. Accounts overdrawn without prior funding arrangements will be subject to cancellation.
11. The Organization acknowledges interest on average balances (IAB) or service fees will not be charged or credited to Agency Fund accounts.
12. If the authorized representative of the Organization leaves Baylor, this arrangement may be terminated unless written notice is received by the Controller's Office within thirty days designating another Baylor employee as the authorized representative.

Any balance remaining in the Agency Fund account after completion of the activity or event will be disbursed as follows (check one):

Baylor University will refund the balance to the Organization. ____

The Organization agrees that all remaining funds should be transferred to the University and considered an irrevocable unrestricted contribution to Baylor. ____

The agency fund is requested to remain active through _____(date).

Failure of the University to enforce any of the provisions of this Agreement shall not be construed as a waiver of that provision or any later breach thereof.

This agreement constitutes the entire agreement between the independent Organization and the University and supersedes all prior written or oral agreements. This agreement may not be amended except by written document executed by both parties.

PART IV – Signatures:

Organization Authorized Representative:

Signature: _____ Date: _____

Name: _____ Title: _____

OFFICE USE ONLY	
PROCESSED BY:	
DATE RECEIVED:	