

Methodist University

Application for Current Restricted or Agency Account

From time to time, certain employees, student groups, or other associations wish to establish an account with the University to which they can deposit and spend funds, as well as enjoy certain benefits of being recognized by the University, including use of University facilities, printing and postage services, etc.

Two different categories of funds exist to accommodate such groups, namely Current Restricted Funds and Agency Funds. Determining which fund a group qualifies for depends on various factors. To generalize, if the University has discretion over the use of the funds, a Current Restricted Fund is appropriate. If the University does not have discretion over the use of the funds, an Agency Fund is appropriate. Student Organization/Agency funds are not University funds, but in their direct relationship to the University, are required by University policy to establish and maintain their banking activities with the Controller's Office through use of an Agency Account. The University provides basic accounting, monitoring and reporting functions for the benefit of the agency account.

This application, which is required to establish and maintain a Current Restricted or Agency account with the University, must be filled out completely in order to direct the Controller's Office as to which fund a particular group belongs, and to assign a *Project Number* to the group for coding deposits and disbursements.

The Current Restricted Fund – is limited to groups whose activities are directly related to the University's fiscal operations. The University retains ultimate discretion as to the beneficiary of such funds. The fund is used primarily for two purposes:

1. To track the receipt and appropriate spend of contributions restricted by donors to various programs of the University. Examples would include donor contributions restricted to purchasing equipment for the Science Lab, contributions restricted to support the Music Department, or contributions to buy t-shirts for the Baseball Team. Restricted donor contributions are earmarked within the Current Restricted Fund as *Temporarily Restricted*, as the funds are temporarily restricted *by donors*, until funds are spent for the purpose for which they were contributed.
2. To track University funds *designated* by the University for its various programs. For example, if the Baseball Team sells candy, and is authorized by the President of the University to use the funds outside of the Baseball operating budget, the Baseball Team may deposit the candy sales in a Current Restricted Fund for future use, and spend from those funds without affecting the operating budget. These funds were provided by University operations, rather than donors, and are thus earmarked within the Current Restricted Fund as *Unrestricted* (University money) rather than *Temporarily Restricted* (donor money).

It is possible to have both *Unrestricted* (designated University funds) and *Temporarily Restricted* (donor restricted funds) in the same Current Restricted Fund, if both University money and donor money is granted to the fund.

The Agency Fund – is limited to groups whose activities are indirectly related to the University's fiscal operations. Agency Funds are available for groups who are self-governed, and independent of the University. Agency Funds are deposited with the University for safekeeping, and are provided basic review and reporting functions. The University does not have discretion as to how funds are spent, but acts as an agent to collect receipts and remit disbursements upon instruction by the group. The University provides basic accounting, monitoring and reporting functions for the benefit of the agency account.

Examples of Agency Funds include student organizations, fraternities and sororities, faculty projects, and other nonprofit groups. All University-recognized Agency Funds must have a faculty or staff advisor as their advisor. All disbursements from agency funds will be reviewed by the MU advisor.

Agency Funds that are Student Organizations are each governed by a constitution and have a purpose compatible with that of the mission of the University. The Student Government Association of Methodist University must approve all student clubs and organizations prior to establishing an Agency Fund.

Agency Funds are funds belonging to entities separate from the University, and therefore do not have access to the University's tax exempt status. Agency Funds may not use the University's Federal Tax ID Number for any purposes.

Both Current Restricted and Agency Funds may receive gifts from donors. However, not all gifts are tax-deductible. For a gift to Methodist University to be considered a tax-deductible gift to the University, it must be given to the University for the purpose of fulfilling its mission, rather than for the University to distribute to a specific beneficiary or association. Charitable contributions to Methodist University are recorded in the Current Restricted Fund, and the University retains discretion as to the beneficiary of such funds. Gifts made for specific individuals or associations, using the University as a conduit, are not considered charitable contributions to Methodist University, but belong to the individual or association, and are merely held by the University on behalf of the individual or association in an Agency Fund. Agency Fund income and expenses are the responsibility of the individuals/groups, and are not income and expenses of the University.

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(Please submit your completed form to the Controller's Office, Attn: Rhonda Harris, Horner Administration Building.)

Name of Group or Activity: _____

It is the responsibility of each organization to determine its own legal status and filing requirements. Please indicate the legal status of your organization:

- | | | |
|--------------------------|--------------------------|---|
| Yes | No | |
| <input type="checkbox"/> | <input type="checkbox"/> | Is your group formerly organized? (i.e. has a board, officers, a constitution, bylaws, etc) |
| <input type="checkbox"/> | <input type="checkbox"/> | Is your group a legal entity separate from the University? Indicate your group's Federal ID Number _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Is your group a 501(c)3 organization? If not, please indicate your legal/corporate status _____
(Please be aware the University does not prepare or file Forms 990/990-N with the IRS on behalf of Agency Accounts.) |
| <input type="checkbox"/> | <input type="checkbox"/> | Is your group recognized as an accepted student organization by the Methodist University Student Government Association? If so, how are the group's activities beneficial or complimentary to the University?

_____ |

Describe the nature of the activity that will be processed through this account. (Where does the funding come from and what are these funds spent for?)

At the conclusion of the project, or upon inactivity of the account for two years, please indicate how any remaining funds should be disbursed:

Please list the MU employee advisor for this fund. All expenditures from the fund will require approval from the advisor and related Dean/Director.

MU Advisor: _____

MU Dean/Director: _____

Please list any officers of the organization (i.e. President, Vice President, Secretary, Treasurer). If the organization does not have officers, please list the appropriate representative(s)/contact(s).

Name: _____ Title: _____

Phone: _____ Email: _____

Name: _____ Title: _____

Phone: _____ Email: _____

Name: _____ Title: _____

Phone: _____ Email: _____

Name: _____ Title: _____

Phone: _____ Email: _____

Note: Groups accepted into the Agency Fund must complete and sign a separate Agency Agreement Form semi-annually to maintain Agency Fund Status.

Controller's Office Use:

<input type="checkbox"/>	Current Restricted	Project # _____	Controller Approval: _____
<input type="checkbox"/>	Agency	Project # _____	Date approved: _____