

Commercial Bank Accounts**APPROVAL**

The University Controller or Associate Controller must grant approval before a University department or organization may establish a commercial bank account for the deposit and disbursement of University monies.

See *BPPM* 30.02 for a definition of University monies.

NON-WSU ACCOUNTS

Non-WSU accounts with commercial banks may not be established in the name of Washington State University, in the name of a University department, or use a Washington State University taxpayer identification number (see *BPPM* 35.10).

TYPES OF ACCOUNTS

Since most University monies are accounted for by the Controller's Office, the approval of a commercial bank account is usually considered an exception to University policy. The following types of accounts are evaluated for approval.

Petty Cash Funds

Approval of a petty cash fund by the Controller or Associate Controller constitutes approval to open an in-state off-campus account if the fund amount exceeds \$100. (*SAAM* 85.50.50.e) See *BPPM* 30.50. If the petty cash fund is to be maintained in an out-of-state or foreign bank, follow the standard approval procedure outlined below.

Out-of-State and Foreign Accounts

The following types of University entities require out-of-state or foreign bank accounts:

- Foreign projects requiring funds for in-country disbursements.
- Out-of state research projects requiring wire transfers for project support.
- Faculty on sabbaticals requiring wire transfers for project support.

Due to a requirement for additional approval by the Washington State Public Deposit Protection Commission, request such accounts at least two months before the account is required. The Controller's Office coordinates commission approval.

REQUEST PROCEDURE**Request Form**

The individual responsible for maintaining the account (fund custodian) completes and submits a Bank Account Request form.

Form sections are self-explanatory. Direct questions to the Controller's Office; telephone 509-335-2022. For sponsored accounts, contact Sponsored Programs Services; telephone 509-335-2058.

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Bank Financial Statement (Out-of-State and Foreign Accounts Only)

The individual requesting the out-of-state or foreign account is responsible for meeting the current Washington State Public Deposit Protection Commission requirements. (*WAC* 389-12-140)

At minimum, the requesting individual obtains the bank's most current public year-end and quarterly financial statements and submits them with the Bank Account Request form.

Deposit Insurance

If the amount of deposit insurance provided by the bank is nonexistent, unavailable, or incomplete, the responsible department or college assumes liability for any losses.

University Approval

The requesting individual initially submits the completed Bank Account Request and related documentation to the department chair and college dean for approval.

International Projects

If an international project is involved, the requester submits the documentation to the International Programs Development Cooperation Office (IPDC).

Final WSU Approval

Final institutional approval is granted by the Controller.

Commission Approval (Out-of-State and Foreign Accounts Only)

After institutional approval has been granted, the Controller's Office sends requests for out-of-state and foreign accounts to the Washington State Public Deposit Protection Commission for final approval.

Even though a request has received University approval, the Washington State Public Deposit Protection Commission may deny final approval.

MAINTAINING THE ACCOUNT

Fund Custodian

The unit administrator designates an employee to be responsible for maintaining and reconciling the account. Indicate the name of the fund custodian on the Bank Account Request form.

Notify the Controller's Office when the fund custodian changes.

The departing fund custodian reconciles the bank account prior to leaving.

The new fund custodian immediately reviews the reconciled bank account statement before accepting the account.

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Deposits

Deposits to a checking account are made only with drafts from the organization's or department's University account maintained by the Controller's Office.

Funds from other sources may not be commingled with the checking account monies.

Reconciling Bank Statements

The fund custodian is responsible for reconciling the bank statement each month.

The fund custodian sends a copy of the bank statement and reconciliation to the Controller's Office each month.

If a sponsored agreement is involved, send the bank statement directly to Sponsored Programs Services.

Writing Checks

Only those individuals designated as authorized signatures on the Bank Account Request may sign checks.

Two authorized signatures are required to issue any check.

Closing the Account

Reconciliation

The fund custodian reconciles the account and writes a check payable to WSU for the remaining amount.

Deposit

Deposit the remaining funds with the Controller's Office in an appropriate University account. See deposit procedures in *BPPM* 30.53.

Notification

Notify the Controller's Office in writing that the account has been closed and attach a copy of the final bank statement.

Unused Checks

Destroy unused numbered checks in accordance with state of Washington procedures. Contact the Internal Auditor, telephone 509-335-2001, for assistance.