

STANDARD ADMINISTRATIVE PROCEDURE

21.01.03.M0.02 Temporary Working Funds Procedure

Approved June 29, 1998

Revised January 8, 2007

Next Scheduled Review: January 8, 2010

Supplements [System Policy 21.01](#) and [System Regulation 21.01.03](#)

1. GENERAL

Temporary Working Funds may be used for purposes listed below and must follow Texas A&M University guidelines for disbursement of funds.

2. PURPOSE FOR TEMPORARY WORKING FUNDS

Requests for temporary working funds may be for the following:

- 2.1 To make change at an event.
- 2.2 Student travel (meals, hotels, local transportation, etc.). Use of the procurement card and departmental CBA is suggested whenever possible.
- 2.3 Payments to participants in a research related study.
- 2.4 Others as deemed appropriate by Financial Management Operations.

3. PROCEDURE TO REQUEST FUNDS

An encumbrance must be established before the request is submitted. Using VID#17460005311, encumber the funds by setting up a document in FAMIS using the appropriate document type: L, E or P, using the appropriate expense code(s).

- 3.1 Complete the Temporary Working Fund Request Form at <http://finance.tamu.edu/fmo/wf/default.asp>.
- 3.2 The custodian and the department head must sign the request form.
- 3.3 Send the completed request form to Financial Management Operations, Attention: [Director of Accounting-Financial Management Operations](#) at MS 6000.
- 3.4 Funds may be received up to 3 days before the event.
- 3.5 PLEASE ALLOW FIVE (5) WORKING DAYS FOR PROCESSING YOUR REQUEST.

4. HANDLING OF TEMPORARY FUNDS

- 4.1 The custodian has the option of receiving the funds by: ACH, Check, Wire Transfer or Cash. This disbursement of funds is being made to the custodian and therefore must be set up in FAMIS as a vendor. If an ACH is desired, please ensure the custodian is set up for direct deposit with Accounts Payable. If not, please have them complete the direct deposit form at <http://finance.tamu.edu/fmo/ir/forms/direct-deposit.pdf>. Please note if cash is desired, the custodian must pick up the cash from the Cashiers in the Pavilion. Cash pick up cannot be delegated to someone else; the custodian must pick it up.
- 4.2 The department will be notified if the working fund request is denied or approved.
- 4.3 A receivable will be established under the custodian's name; the custodian must also have an A/R Customer number. This will be WF68 (custodian's UIN). The custodian must be familiar with System Regulation 21.01.02 at <http://www.tamus.edu/offices/policy/policies/pdf/21-01-02.pdf>
- 4.4 After approval of the working fund, an email will be sent to the custodian and departmental contact with the AR# assigned to the working fund and notification of the date of disbursement. This AR# must be entered as the invoice number when paying the working fund back.
- 4.5 Funds will be disbursed by the option chosen by the custodian.
- 4.6 Past due working funds are subject to being taxable to the custodian at 120 days from the completion date and a FAMIS hold will be placed on the custodian at 60 days from the completion date.
- 4.7 Funds must be kept safe and secure. Funds may be converted to Traveler's Checks, deposited into personal bank account, or kept personally. No new checking account may be set up using the Texas A&M University name or taxpayer identification number. The person responsible for the funds must ensure the funds are safeguarded from theft and loss. The funds cannot be used for personal gain.

IMPORTANT: United States individuals who have a financial interest in or signature authority over any financial accounts in a foreign country may be required to report the relationship to the Internal Revenue Service and the US Department of the Treasury. Please contact your personal tax advisor and visit the following links for further information and reporting requirements:

IRS reporting obligation (Schedule B, Part III, lines 7a and 7b) - www.irs.gov/pub/irs-pdf/i1040sa.pdf

US Treasury Department reporting obligation (Form TD F 90-22.1) - <http://www.irs.gov/pub/irs-pdf/f90221.pdf>

5. SUBMITTING THE DOCUMENT AND RECEIPTS TO REPAY THE WORKING FUND

- 5.1 The document number submitted on the request form should be completed and sent to FMO by the due date. Please include a copy of the original request. The A/R# that was emailed to the department after the request was approved must be in the invoice number field so that the receivable will be properly cleared.
- 5.2 A spreadsheet listing all expenses, along with a receipt for each purchase of goods or services must be submitted with the document. If participants were given cash, each participant must sign for the amount received. On purchases where a receipt was not provided, the custodian must certify on the voucher what the money was used for and why a receipt is not available. It is possible that this amount would become taxable to the custodian.
- 5.3 The document and all original receipts shall be submitted to Financial Management Operations prior to or on the Accounting Due Date.

6. VENDOR REQUIREMENTS

- 6.1 Payments of less than \$300.00 and are not for professional services, contract labor or memberships do not require the vendor to be set up in FAMIS. The documents will be processed using the VID 17460005311.
- 6.2 Payments for \$300.00 or more will require the vendor to be set up in FAMIS. If not previously set up, a Substitute W-9 or Certificate of Foreign Status is required. These documents will be processed with the actual vendor in the vendor field and the TAMU Working Fund VID 17460005311 as the Alt. Vendor.
- 6.3 All professional services, contract labor or memberships require the vendor to be set up in FAMIS. If not previously set up, a Substitute W-9 or Certificate of Foreign Status is required. These documents will be processed with the actual vendor in the vendor field and the TAMU Working Fund VID 17460005311 as the Alt. Vendor.
- 6.4 Student Travel: payments made to hotels and car rental agencies are 1099 reportable and these vendors are required to be set up in FAMIS. If not previously set up, a Substitute W-9 or Certificate of Foreign Status is required. These documents will be processed with the actual vendor in the vendor field and the TAMU Working Fund VID 17460005311 as the Alt. Vendor. Hotels should be coded as 5870 and car rentals should be coded as 5840 instead of 3410.
- 6.5 Vendor Forms:
<http://finance.tamu.edu/fmo/ir/forms/SubstituteW9.pdf>
http://finance.tamu.edu/fmo/ir/forms/cert_foreign_status.pdf

7. RETURNING UNUSED FUNDS

- 7.1 Cash must be taken to the Cashiers Office in the Pavilion immediately. Make sure the A/R# is given to the cashiers so that the funds may be applied properly.
- 7.2 Checks for any unused funds need to be immediately submitted to Sales & Receivables in Financial Management Operations at MS 6000. Make sure the A/R# is on the check or is submitted with the check. Checks should be made payable to Texas A&M University.

OFFICE OF RESPONSIBILITY: [Financial Management Operations](#)