

THE HEALTH SCIENCE CENTER AT BROOKLYN FOUNDATION, INC.

POLICIES & PROCEDURES

Title: Cash Receipts & Disbursements	No. <u>HSCBF-0002</u>
Reviewed by: Foundation Management	Original Issue Date: <u>07/2002</u>
Approved by: HSCBF Board	Revised Date: <u>09/2017</u>
	SUNY Policy Ref. No. <u>BUR-2 & BUR-3</u>

I. Summary

The Health Science Center at Brooklyn Foundation, Inc., is a not-for-profit tax-exempt corporation functioning under IRS 501(c)(3) requirements. and existing under the laws of the State of New York.

The HSCB Foundation was established in 1976 for the benefit of the SUNY Health Science Center at Brooklyn (HSCB) and is engaged in activities designed to enhance programs at, related to, or for the benefit of HSCB.

The HSCB Foundation provides bookkeeping and banking type services along with certification of proper fiscal procedures. Assets of accounts of the HSCB Foundation are the property of the HSCB Foundation. Any questions should be addressed to the HSCBF Finance Office (450 Clarkson Ave, MSC 1219, Brooklyn, NY 11203-2098).

II. Policy

As the designated agent, the HSCB Foundation will endeavor to maintain accounts consistent with the purposes and within the scope and authorizations set forth by the depositor. The HSCB Foundation reserves the right to refuse to pay out any funds which, in its own recognizance, it feels are unauthorized or improper. However, the HSCB Foundation will not be liable for any funds used by depositors, or signators, which may be unauthorized or improper, provided the appropriate signators have executed the withdrawal order.

A. In addition, the HSCB Foundation will:

1. review all transactions for accuracy and correctness;
2. maintain adequate files for history and audit;
3. invest surplus funds in interest-bearing accounts.

B. The HSCB Foundation will charge to recover the costs of administering the accounts. The applicant should recognize that there is substantial overhead in certification of proper fiscal procedures and it is this certification for which the applicant is paying.

NOTE: Account holders who plan to pay employee salaries or hire consultants or contractors must notify the HSCB Foundation Office (450 Clarkson Avenue, MSC 1219, Brooklyn, NY 11203-2098).

- C. The HSCB Foundation assesses a management fee on the principal in the account. The fee is currently 1% for endowment accounts and 3.25% for non-endowment accounts. These figures are subject to change. A cap of 5.75% is applied to earnings distribution.

An endowment account is one that contains only principal funds that are not intended for direct use. The interest that accrues on the principal is deposited into a related operating account that may be used for the purposes stipulated in the agreement under which the account was set up. This related operating account is a non- endowment account and its management fee is assessed at 3.25%.

GUIDELINES FOR ESTABLISHING AND MAINTAINING ACCOUNTS WITHIN THE HSCB FOUNDATION

A. ESTABLISHING THE ACCOUNT

1. Accounts may be established in the HSCB Foundation to enhance programs at, related to, or for the benefit of, the Health Science Center.
2. To establish an account, an application form must be completed with required approval by the Dean, Chairman, or appropriate Vice President. Forward the completed application along with copies of supporting documentation, such as any correspondence, to the Treasurer of the HSCB Foundation (450 Clarkson Avenue, MSC 1219, Brooklyn, NY 11203-2098).
3. Account applicants/signators shall certify on the application form that they understand and accept the guidelines for responsibility and liability of the HSCB Foundation as stated in the agreement on the application form.
4. The application will be reviewed by the Treasurer and, if approved, will be signed and forwarded to the HSCB Foundation Director of Finance for establishment of the account.
5. Where the Treasurer of the HSCB Foundation is also the signator of an account, he will arrange for a different person to sign for the HSCB Foundation to approve the establishment of the account. All accounts must have at least two signators, one of who must be designated as Primary Signator.
6. Funds received from outside sources that will be used to support specific research purposes must be deposited in an appropriate Research Foundation account. Funds received as gifts for the support of an individual's general research activities may be deposited into an HSCB Foundation account but must be transferred to a Research Foundation account at the time a research related expenditure is to be made.

B. MAINTAINING THE ACCOUNT

1. After the account has been established, deposits should be forwarded directly to the Bursar's Office, Box 1206 or Room 1-130A. If deposit represents a donation, each check should be submitted with a completed Donation Form and, if applicable, a copy of the acknowledgement letter to donor. (Addendum A)
2. Whenever signatory changes become necessary, new signators must certify that they understand and accept the guidelines for responsibility and liability of the HSCB

Foundation by signing a Change of Signators Form. Only the Primary Signator may request a change of signators. If the Primary Signator is no longer on campus, the Dean, Chairman, or appropriate Vice President may request a change of signators. Whenever feasible, old signators shall sign off the account using the same form. Change of Signators Forms are submitted to the Treasurer of the HSCB Foundation for approval.

3. If the name of the account is changed, a new application must be submitted, and a new account will be established.

C. DISBURSEMENTS

1. A Payment Request Form must be completed for each disbursement request. The form must indicate clearly the purpose of the disbursement, authorization, and approval by authorized signators. For instance, reimbursement requests for food and/or lodging should state the purpose of the meeting and list the participants. Requests for reimbursement for subscriptions, travel, bills from vendors, etc., must clearly show that the request is in compliance with the purpose for which the account was established. Supporting original documentation such as invoices, receipts, descriptive literature, etc., must be initialed by the signator and attached to the form.

Requests for reimbursement for car rentals must be justified in writing.

Payments for equipment will be made upon notification once equipment has been received and is in good working order.

NOTE: THE HSCB FOUNDATION IS EXEMPT FROM SALES TAX, PLEASE CALL THE HSCB FOUNDATION OFFICE AT EXT, 3148 FOR TAX-EXEMPT FORMS.

2. The HSCB Foundation Office will review the Payment Request to make sure it complies with the policies of the HSCB Foundation and the purpose of the account. Any discrepancies shall be reported to the Treasurer of the HSCB Foundation.
3. If the Payment Request is in order (See Section C, paragraph 1, above), the HSCB Foundation Office will prepare a check drawn against the account and have it signed by two persons who are empowered to sign checks for the HSCB Foundation.
4. Checks will be available within four business days for pick-up by account holder or designee at the HSCB Foundation or Bursar's Offices.
5. Account holders may reimburse State employees for out-of-pocket expenses incurred by the employee. However, account holders **MAY NOT PAY SALARY, BENEFITS, BONUSES, OR ANY FORM OF REMUNERATION DIRECTLY TO STATE EMPLOYEES.** Such payments must flow through a State IFR. Exceptions to this rule may be granted by the HSCB Foundation Treasurer.

Addendum A

Office of Development & Philanthropy



Department/College – Coding
Description:
Numeric Code:

Application to Create a Fundraising Account

Mail or Hand Deliver completed application to the **Office of Development & Philanthropy**, MSC 93, BSB 2-71D
Please fill out completely, with no abbreviations on the application.

Applicant: _____	Phone#: _____	Date: _____
Applicant Signature: _____		MSC: _____
Account Name: _____		

New Account # (Project #) Assigned: _____

Funds and/or proceeds from this account may be used for the following purpose/s (attach additional sheets as needed, including documentation from the donor if available; list attachments, if any):

- This account is **(CHECK ONE)** Endowment Account Operating Account
- This account is **(CHECK ONE)** Permanently Restricted Unrestricted
- Temporarily Restricted: (time period) _____

Authorized signature(s) on the account is/are as follows: (you cannot authorize payment to yourself)

Please CIRCLE the number of signatures required for disbursement of funds 1 2 3

Primary Signator	Sign	
Print Name:	Name:	Tel#:
Secondary Signator	Sign	
Print Name:	Name:	Tel#:
Tertiary Signator	Sign	
Print Name:	Name:	Tel#:
Initial Donation Amount:		Date Recd.:

Source of Funds: _____

Agreement: The applicant/signator(s) requests and authorizes the HSCB Foundation to receive, accept custody for, and disburse funds. The assets of restricted and unrestricted funds in the accounts of the HSCB Foundation are the property of the HSCB Foundation. The HSCB Foundation reserves the right to refuse to pay out any funds that, in its own recognition, it determines may be unauthorized or improper. The HSCB Foundation, however, will not be liable for any funds used by applicant or signator(s) that may be unauthorized or improper, provided the appropriate signator(s) has executed the withdrawal order. The HSCB Foundation assumes no liability for actions of signator(s). Applicant/signator(s) agrees to hold harmless the HSCB Foundation from any and all actions against it resulting from the actions of the applicant or signator(s).

APPROVAL SIGNATURES

Dean or Department Chair:	Date:
Office of Dev. & Philanthropy:	Date:
HSCB Foundation Designee:	Date:

ACFA-02132018

State University of New York Downstate Medical Center
450 Clarkson Avenue, MSC 93, Brooklyn, NY 11203-2098 • Phone 718 270 – 4418 • Fax 718 270 - 4409