Idaho State University Foundation

Policy V C Financial Controls

1. Accounts

The Idaho State University Foundation shall maintain its checking and other bank accounts in financial institutions that are federally insured and should only keep amounts on deposit within those insurance limits. All funds received by the Idaho State University Foundation should be deposited promptly and within one week. The Foundation will not issue any credit, debit, or ATM cards. All funds that are not needed for current operations (30 days) shall be invested in accordance with the investment policy established by the Board.

2. Authority To Sign

a. All orders of withdrawal, whether by check, wire transfer or any other means, shall be approved by the Board Executive Vice President (EVP) or Board President in the EVPs absence and then must bear the signature of one of the following officers:

   i. Board Chair

   ii. Board President (unless he has acted as approver in EVPs absence)

   iii. Board Treasurer

   iv. Assistant Board Treasurer (who is selected from the Board Members or Board Associates for this purpose)

b. In addition, any checks issued over $10,000 shall require two signatures.

c. The authorized check signer(s) will make disbursements only upon review and approval of the transaction. This will include review for the existence of proper supporting documentation, such as a purchase order and evidence of the receipts of the goods and services as well as the approval of the EVP or, if appropriate, the Board President. The EVP or Board President’s approval can be documented by means of signature or email. The requirement for proper supporting documentation also includes any disbursements to the University. The Foundation must maintain adequate documentation in its own files to show that the University has met the requirements for any disbursements to it. The supporting documents should also be cancelled after the check signer approves.

d. Any checks payable to any one of the authorized check signers shall be signed by someone other than the payee and all such checks should, along with explanatory comments, be presented by the Foundation’s Finance Director to the Audit Committee at their regularly scheduled meetings.
3. **Deposits**

   All mail should be opened by a person independent of any accounting function and all incoming cash receipts should be logged by that person before providing them to the Foundation’s accounting department for processing. The log of daily cash receipts should be kept under the control of the person charged with preparing it and on a monthly basis the Associate Vice President for University Development should ascertain that the amount logged in as received agrees to the amount recorded in the Foundation’s accounting system as well as the development system.

4. **Bonding**

   Each officer or designated signatory with authority to withdraw funds as well as anyone handling checks or other items for deposits shall be bonded. The cost associated to secure the aforementioned coverage shall be that of the Idaho State University Foundation. The amount of insurance coverage will be reviewed annually by the finance committee.

5. **Quarterly Review**

   Each quarter the Foundation should request that the University’s Internal Audit Department conduct a limited review. If the University’s Internal Audit Department is not able to perform the review, the Finance Committee shall appoint a member, who is not a check signer or otherwise involved with the accounting for the Foundation, to serve as a financial reviewer for the quarter. The quarterly review shall, consist of a review of all disbursements in the amount of $10,000 or more as well as a judgmental selection of smaller disbursements to make sure they are all adequately supported and within budget and policy guidelines. The reviewer(s) shall also determine that all accounts are reconciled and that there are no unusual reconciling items. The reviewer(s) shall report any exceptions noted to the Foundation’s Audit Committee Chair.

6. **Loans**

   No loan may be made to any officer, director, or employee of the Foundation.

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Date of Board Approval: October 17, 2008

Person responsible for the periodic review of policy and submitting proposed revisions to the Board for approval: Finance Committee Chair

Date of Last Review