



OVERVIEW

The disbursement cycle covers the payment process for aid, advances, prepayments, purchases, services, reimbursements, refunds, and other expenditures to vendors, employees, and students. These functions are administered by Accounts Payable and Student Financial Services.

AUTHORITY

The campus President has delegated the campus CFO with the responsibility of overseeing the disbursement or expense of campus authorized funds.

DOCUMENTATION AND SEGREGATION OF DUTIES

Funds disbursed in settlement of official university commitments and activities are properly authorized, supported by documented business purpose, substantiated by applicable receipts, correctly processed for payment, and in compliance with applicable regulations. In addition, payments will be scheduled to maximize available discounts.

Proper segregation of duties must be maintained so no one person can disburse funds unilaterally.

PAYMENT METHODS

Use of safe, efficient, and cost-effective methods for the timely disbursement of university funds are identified below. All payments equal to or greater than \$15,000 (per payee) will require a second level approval from the documented minimum signature delegates for the campus.

- Automated Clearing House (ACH) or Electronic Funds Disbursement (EFT) payments are made with the following considerations in mind, as applicable:
 - Multi-level passwords and segregation of duties are utilized to safeguard payment process.
 - Standard dual custody, approval steps, verification of valid payee for general vendor/employee reimbursements, and payment data security measures must be utilized.
 - Returned and rejected ACH payments must be investigated and resolved in a timely manner.
- Procurement Card (ProCard)
 - ProCards can be used to improve payment efficiencies, flexibility and convenience related to purchasing and paying for goods and certain approved services. Allowable use is documented in the campus ProCard procedures as in compliance with CSU Contracts and Procurement Policy.
- Wire Transfers
 - Can be utilized as needed, generally for international payments, released under dual custody.
 - Use of pre-approved templates are preferred, once approved under dual custody.
 - Wire transfers in excess of \$200,000 shall be released with a future date value of +1 day.
- Paper Checks
 - Established controls and procedures to safeguard physical location of check stock include storage of stock in an area restricted to specific individuals or behind locked office, not accessible by general public. Printed checks awaiting distribution are held in a restricted area.
 - The formal process to secure a new digital signature for check printing requires approval of the campus President and an update to Wells Fargo Bank signature authorizations.
 - Payment exceptions must be investigated and resolved in a timely manner.

REFERENCES

- [ICSUAM 3103.01 Disbursements – General](#)
- [ICSUAM 3103.02 Outgoing Disbursements](#)
- [CSU Contracts and Procurement Policy - Procurement Cards](#)

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