THE UNIVERSITY OF MICHIGAN
STANDARD PRACTICE GUIDE

SECTION:	Business and Financial Services	**Number:**	519.1
		Revised:	
SUBJECT:	Banking and Treasury Services	**Date Issued:**	1/21/06
		Review Date:	1/21/09
APPLIES TO:	All Departments and Units of the University	**Attachment(s)**	0
ISSUED BY:	Treasurer's Office		

Purpose
The University maintains a centralized management approach for all of its Treasury Services. The Treasurer's Office is responsible for the optimization of cash flow and security of all funds collected, managed, and disbursed by the University. All banking and treasury services are approved by the Treasurer's Office. These responsibilities will be met through the employment of technology, timely and efficient banking practices, synergies leveraged through University wide volume and commitment to risk-averse management for funds on deposit with the University's banking partners. No individual, department, school or college has the authority to establish an active bank account in the University's name other than the Treasurer's Office.

Authorizations
As delegated by the Executive Vice President and Chief Financial Officer under Regental Bylaw 3.01, and detailed in the Delegation of Authority SPG 601.24, only the Treasurer has overall responsibility for the administration and oversight of all banking services for the University.

Summary of specific delegations
The Regents have delegated authority to the Treasurer for the following:

1. Authority to open, close, or otherwise manage all depository and disbursement accounts in the name of the Regents carrying the University's tax identification number. This includes the selection of account features such as controlled disbursement and positive pay.
2. Authorization to utilize treasury management services such as but not limited to:
    a. electronic, investment and financial advisory services;
    b. wire transfer authorizations; ACH transfers, repetitive transfer setup forms; balance reporting;
    c. all lockbox and credit card services, leases and license agreements for Automated Teller Machines (ATM) or Cash Dispensing Machines (CDM) on University property;
    d. Authorization to sign forms and related documents on behalf of the Regents of the University of Michigan certifying bank account information.
3. Authorization to sign in the name of the Regents of the University of Michigan checks, drafts, notes and other orders for the payment of funds drawn upon University depository and disbursement accounts.
4. Authorization to issue debt, loans, letters of credit, or similar financing obligations must be individually authorized by the Regents. Certain lease arrangements can impact the University's debt capacity if they are deemed capital leases and these leases would fall under the Treasurer's delegated authority for debt issuance.

5. Authorization to execute and deliver documents to complete the acquisition or sale of stocks, bonds, notes, securities, life insurance policies, including any associated rights or options must be executed by two of the following officers: President; Executive Vice President and Chief Financial Officer; Chief Investment Officer; Associate Vice President for Finance; Controller; Treasurer.

The Treasurer's Office website http://www.treasury.umich.edu/.
provides procedures and policies concerning Treasury services and operations, including, but not limited to:

- Debt management and bond issues
- ATM and cash dispensing machines
- Merchant credit card processing (SPG 501.06)
- Funds transfers (wire and ACH)
- Vendor check writing
- MCard services
- Unclaimed property
- Risk management

Refer to the Business and Financial Services section of the Standard Practice Guide and the Financial Operations website for information concerning:

- University Investments and Endowment Funds (SPG 501.11)
- Departmental Cash Management procedures and internal controls under SPG 500.01 – Fiscal Responsibilities
- Municipal Leases (FinOps website - Tax Department section http://www.finops.umich.edu)

Refer to the Development section of the Standard Practice Guide (602 series) and the Development Offices website (http://www.giving.umich.edu/) for information concerning gifts of stocks, bonds, and insurance policies.