



# Florida A & M University Special Purpose Investment Account Procedures

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## 1.0 Overview

The Cash Management Department is responsible for investing idle University funds.

All investments are made either through idle balances left at the University's depository bank or through transfer to the State Treasurer's Special Purpose Investment Account (SPIA).

## 2.0 Definitions

SPIA – the State Treasurer's Special Purpose Investment Account established for the investment of idle funds for entities created by the Florida Constitution or Florida Statutes. SPIA investments and returns are comparable to a money market fund.

## 3.0 Responsibilities

**Cash Management Department** is responsible for determining available cash for investment and initiating transfers to or from the SPIA account to the University's approved bank institution. Staff is also responsible for coding the appropriate entries and submitting them to Accounts Payable for input into the system.

**Associate Controller Student Financial Services** is responsible for authorizing the movement of funds to or from the SPIA investment account to the University's bank accounts.

**Assistant Controller, Cash Management** is responsible for verifying the validity of the transfer of funds to/from the depository banking institution.

**Cash Management Coordinator** is responsible for preparing documentation for authorization and approval to Director. Initiating transfers to/from the SPIA account to the University's approved bank accounts and submitting documentation to Accounts Payable.



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## 4.0 General Procedures

### 4.1 Cash Management Section

- Performs daily cash analysis by reviewing the cash position at the depository banking institution and estimated daily vendor payments to determine the amount of cash available for investment or the amount of funds which should be liquidated.
- Completes Wire Authorization Form. This form must be approved by the Associate Controller Student Financial Services. The total amount to be transferred is indicated on the form, and from which bank account the outflow or inflow of cash will take place. A copy of the supporting documentation is also included with this form. This form is used to authorize the movement of cash from a University bank account to SPIA or from SPIA to a University bank account.
- Logs on to the State Treasury Web-site, which is <https://www.fltreasury.org/>. Select SPIA & TRUST FUND link. This requires both a User ID and Password. Both the User ID and Password are CASE-sensitive. The following steps then take place:
  - Click on the "OK" Tab.
  - Select the link that reads "SPIA Liquidations and Investments".
  - Select a partial fund number or select a specific fund number. The University main Investment Fund ID is --- 3493120.
  - In the line with Acct. No: ...3589, enter the amount to invest from the Wire Authorization Form.
  - Click the Verify Tab and then click on the Submit Tab.
  - Print 2 copies of the confirmation sheet.
  - Log-off the State Treasury System by clicking on the "Back to Available Transaction" Tab.
- Log into Wachovia Bank and initiate domestic wire transfer to Bank of New York for the amount to be invested. Wire transfers are then approved by the authorized approver through the online banking system.
- Completes the **PeopleSoft Journal Code Sheet**. All *investments* are recorded as a debit to to Fund 930, Department 910099, Account 143000 and Program 93 and a credit Fund 930, Department 910099, Account 112110 and Program 93. Conversely, all *liquidations* are recorded as a debit to Fund 930, Department 910099, Account 112110 and Program 93 and as a credit to Fund 930, Department 910099, Account 143000 and Program 93.



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- Provides the Wire Authorization Request, Journal Code Sheet and all supporting documentation to the Assistant Controller, Cash Management or Assistant Controller, General Accounting for review and verification of transaction.
  - This packet is then forwarded to Accounts Payable staff to code the investment transaction in the A/P module.
  - Files a copy (set) of all forms in the wire transfer binder.
  - Once the Voucher Number has been assigned, Accounts Payable will return voucher and documentation to Cash Management for filing.

#### **4.2 Associate Controller Student Financial Services**

Authorizes and approves the transfer of funds between the depository banking institution accounts and the State Treasurer's SPIA investment accounts. S/he also authorizes and approves the liquidation of funds from the State Treasurer's SPIA investment accounts to the University's bank accounts.

#### **4.3 Coordinator**

Generates request by completing documents for submission to Associate Controller for approval. Once approval is obtained, initiates the transfer via the online banking system.

#### **4.4 Assistant Controller Cash Management**

Receives request and supporting documentation to verify that the wire transfer request is appropriate and was performed as required once it has been authorized and approved by the Associate Controller. Also, verifies that the liquidations are transferred from the SPIA accounts to the University's bank accounts. S/he signs the Investment Wire Worksheet evidencing review and verification and alternately signs the Wire Request for liquidations. In the Associate Controller, Student Financial Services' absence, the Associate Controller will sign the Wire Worksheet evidencing review and verification.

#### **4.5 Controller's Office, Assistant Controller, General Accounting**

In the Assistant Controller, Cash Managements' absence, Assistant Controller verifies that the wire is transferred from the institution's bank and into the institution's State Treasurer's SPIA Investment account and alternately, verifies that the liquidations are transferred from the SPIA accounts to the University's bank accounts. This verification is performed through review of the documentation. In the Assistant Controller's absence, the Assistant Controller, Cash Management will sign the Wire Worksheet evidencing review and verification.



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#### **4.6 Accounts Payable Section**

Inputs data from code sheet to record transactions.

#### **4.7 Records**

Copies of each investment transaction will be retained by the Cash Management Department and by the Accounts Payable Section in the Controller's Office. The appropriate records retention guidelines will be followed for the retention and disposition of documents.