

**PRAIRIE VIEW A&M UNIVERSITY  
UNIVERSITY ADMINISTRATIVE PROCEDURE**



**21.01.07.P0.01 Agency Funds**

Approved November 4, 2014

Reviewed October 2, 2019

Next Scheduled Review: October 2024

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**UAP Purpose**

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The purpose of this University Administrative Procedure (UAP) is to establish procedures for required documentation for withdrawals from agency funds.

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**Definitions**

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**Agency Funds** – funds held by the university as custodian or fiscal agent for a sponsor or a university related organization. The deposit of agency funds does not entitle the depositor to special rights and privileges.

**Sponsor** – the individual or group whose funds are accounted for in the agency fund account.

**Responsible Person** – the person (normally a university employee or employees) designated to authorize expenditures and manage the agency fund account in accordance with the sponsor's agreement.

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**Official Procedures**

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**1. GENERAL GUIDELINES FOR WITHDRAWAL OF FUNDS**

- 1.1 Since agency funds held by Prairie View A&M University (PVAMU) are owned by another entity or sponsor, and are only deposited with the institution for safekeeping, requests for withdrawal of funds do not have to follow PVAMU purchasing guidelines.
- 1.2 Requests for withdrawal of funds will not be reviewed by the university for appropriateness with the entity's rules, by-laws, or procedures. The responsible person will ensure that all disbursements are made in accordance with the written agreement on file and consistent with documentation required by PVAMU for non-agency funds.
- 1.3 All properly authorized requests for less than or equal to the amount of funds on hand will be processed for payment by the Office of Accounts Payable. Payroll payments must not be processed directly from agency funds.

- 1.4 An agency fund account does not earn interest and fees are not charged for account maintenance.
- 1.5 Agency funds are not considered sales tax exempt and should not use the PVAMU exemption form.
- 1.6 PVAMU is responsible for reporting Internal Revenue Service (IRS) Form 1099 reportable payments made through agency funds. Vendors must provide IRS Form W-9 information or other IRS documentation before agency funds can be disbursed for purchases of goods or services.
- 1.7 PVAMU will deposit agency funds only in banks, which are board-approved.

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#### **Related Statutes, Policies, Regulations and Rules**

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[System Policy 21.01.07 Agency Funds](#)

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#### **Contact Office**

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Financial Management Services      936-261-1905

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