

Financial Management of Non-Credit Bearing Professional Development Programs

Category: Financial
Responsible Office: Financial Management
Responsible Executive: Vice President for Finance and Administration

Date Established:
Date Last Updated: 11/22/2024

Summary

This policy provides guidelines for the financial management of non-credit bearing professional development programs to support:

- Accurate cost calculations
- Compliance with SUNY and university financial policies
- Consistent operational practices to document non-tuition based revenue, costs, and fee rates
- Adequate internal controls

Policy

The University at Buffalo (UB, university) establishes and maintains non-credit bearing professional development program rates in accordance with the State University of New York (SUNY) [Fees, Rentals, and Other Charges Policy](#).

A non-credit bearing professional development program is a UB instructional activity with established methods of assessment and articulated student learning outcomes.

Governance

These general principles govern the development of new rates or changes to existing rates:

- Rates are set based on the full cost of the program for which the fee is charged, including allowable costs
- Rates must recover costs when no other dedicated funds are available for that purpose
- Rates for non-credit bearing professional development programs must be established a level that ensures programs are demonstrably self-supporting
- A consultation process with participants is encouraged, when appropriate; the consultation process may use a committee with representation from the impacted group

Non-Credit Bearing Professional Development Program Billing Rate

A non-credit bearing professional development program billing rate is the cost per participant to participate in the program. Costs included in the rate calculation must be:

- Allowable
- Directly attributable to the program
- A necessary and appropriate component of the rate
- Documented
- Reviewed post-program or annually for recurring programs

New rates and changes to existing rates must be reviewed and approved by:

- Financial Management
- Department chair or head
- Unit Business Officer (UBO)
- University Controller
- Provost Designee

Rates for recurring programs must be reviewed prior to the next program and adjusted as necessary.

Non-Credit Bearing Professional Development Program Sustainability

Non-credit bearing professional development program rates must be developed so that program revenues offset costs.

With proper approval, program operations may be subsidized, if the program meets research or an educational mission to serve the university. When rates are lower than cost, the resulting deficit cannot be carried forward as an adjustment to future billing rates.

Internal Participants

Participants whose payment source is university funds (State, Research Foundation, UB Foundation) cannot be charged more than cost.

Subsidized Participants

With proper approval, the department may choose to allow attendance at no charge or at a lower rate than other participants, however, the program rate must be calculated for all internal participants based on total expenses and total participants. Variable rates must be based on clear and identifiable criteria.

Margins for External Participants

Departments are permitted to charge external participants a rate higher than the rate charged to internal participants. Departments are required to track revenues and costs associated with external participants separately to avoid the perception of overcharging.

Rates charged to external customers may include:

- Full direct costs of the program operation including direct costs not charged to internal users

- General University Service Fee (GUSF)
- Sales tax, where applicable

External rates cannot be significantly different than the prevailing rate for identical programs provided by other organizations in the area.

Revenue from external users may have Unrelated Business Income Tax (UBIT) implications.

Non-credit Bearing Professional Development Accounts

All newly established non-credit bearing professional development program fees must be deposited in a separate account. An Income Fund Reimbursable (IFR) account should be established to record program activity. A Research Foundation (RF) income account, and/or a University at Buffalo Foundation (UBF) account may be established to record program activity with prior approval from Financial Management and the university Controller.

Contract Requirements

Non-Credit Bearing Professional Development Programs that provide services to a single external customer with multiple participants must have contracts in place.

For programs where funding flows through the State or RF, a university member may not sign or otherwise execute a contract that binds the university unless they have been delegated signature authority in accordance with the [Approval Authority Policy](#). For programs where funding flows through UBF, a university member may not sign.

Refer to the *Financial Management of Non-credit Bearing Professional Development Procedures* for additional information.

Billing and Revenue Collection

Registration must be collected using approved non-credit bearing professional development rates.

The department must reconcile accounts receivable against program accounts.

Revenue collection must be processed through a university approved method. Departments may elect not to accept internal methods of payment for the program.

Waivers and Refunds

The waiver and refund policy must be documented in the *Non-credit Bearing Professional Development Program Approval*, as applicable.

Segregation of Duties

Departments collecting revenue should ensure that the appropriate segregation of duties is maintained to safeguard funds and the university's reputation, as required in the [Safeguarding Cash and Cash Equivalents Policy](#).

When staffing resources make segregation of duties difficult, compensating controls must be implemented to provide the appropriate checks and balances to detect errors, deter fraud, and prevent concealment of irregularities.

Record Retention

The department must maintain rate development documentation. Documentation includes the actual costs of providing the program, number of participants, billings, collections, and the annual surplus or deficit.

These records are subject to external audit (e.g., federal, state, RF, other sponsors) and internal review.

Fees Charged to Students Without Approval

In the event that a fee is imposed upon students without following the guidelines in this policy, funds collected will be refunded to the payee in full upon request made to the campus or by directive from SUNY System Administration. Requests for refunds must be made within three years of collecting the fee.

Background

The SUNY Board of Trustees established levels of authority and requirements for university charges, as described in the SUNY *Fees, Rentals and Other Charges Policy*. Section 11, *Campus Authorized Fees*, states, "Campuses may establish fees for non-credit bearing instructional programs at such a level that the program is self-supporting, inclusive of salary, non-salary, and employee benefit costs."

This policy provides a framework for consistent financial guidelines for non-credit bearing professional development programs that charge a fee.

Applicability

This policy applies to all non-credit bearing professional development program rates administered through State, Research Foundation (RF), and UBF accounts.

The Provost Office has authority and oversight of all UB credit and non-credit bearing educational programs but does not oversee fee and fee rates for these programs. Financial Management has authority and oversight of **fees and fee rates** for all educational programs, including credit-bearing programs that carry an additional fee/fee rate above and beyond tuition.

Description	Governed By This Policy	Contact
Non-credit Bearing Professional Development Programs	Yes	Financial Management
Sports Camps for pre-college ages	No	Athletics
SUNY or UB credit-bearing programs	No	Provost Office

Definitions

Deficit – The amount determined when costs exceed revenues for a given fiscal year.

External Participant – Organization or individual whose ultimate source of funds is outside the university. External participants include faculty, staff, and students acting in a personal capacity. Affiliated hospitals and other individuals are also considered external participants unless the university has subcontracted with them as part of a grant or contract, in which case they are an internal participant.

Fee – Referring to the event, program, service or product as a whole. There can be multiple rates for each fee.

Fiscal Year – The 12-month period used for accounting purposes; the university's fiscal year is July 1 to June 30.

General University Service Fee (GUSF) – Fee charged against external revenue. The service fee is a flat rate charged across all entities on funds generated through the use of university faculty or staff time or use of university facilities.

Internal Participant – An academic, research, administrative, or auxiliary unit whose originating source of funds is within or flows through the university including State, Research Foundation, and UB Foundation funds.

Non-Credit Bearing Professional Development Program - UB instructional activity with established methods of assessment and articulated student learning outcomes. Non-credit bearing professional development programs (NCPDP) include:

Continuing Education Programs – Programs where post-bachelorette or post-professional degree holders earn Continuing Education Units (CEUs) used toward maintaining a professional license. CEUs are delivered to community members and alumni; CEUs are not delivered to current UB students.

MOOCs – Massive On-line learning opportunities, typically delivered by UB faculty using a third-party virtual vender platform. While non-credit MOOCs are designed for non-students, some UB students may participate in these programs.

Micro-Credentials – small academic programs typically for current UB students that are designed to enhance career readiness. Micro-credentials may or may not carry credit.

Non-Credit Academic Programs (NCAPs) - Educational workshops or seminars without academic credit offering program learning outcomes but no credentials or CEUs. Participants can be students or non-student (e.g., corporate entities with a revenue contract). NCAPs at UB exclude sports camps for pre-college ages, MOOCs (single-course non-credit programs), and conferences primarily for faculty and staff professional development.

Rate – Individual prices paid or charged (i.e., internal, internal +GUSF, external) for all the different pricing options under a fee; there can be multiple rates associated with one fee.

Subsidized User – User who is charged a lower rate or not charged at all.

Subsidy – Additional funding provided by a department or the university that assists in covering the costs.

Surplus – The amount determined when revenues exceed costs for a given fiscal year.

Unallowable Costs - Costs that cannot be included in calculating the cost of a service or activity.

Unrelated Business Income Tax (UBIT) - Taxes that result from income produced by the sale of goods or services to external users not substantially related to the university's tax-exempt purpose.

Responsibility

Departmental Management

- Obtain approval of the proposed micro-credential from the Office of Micro-credentials, as applicable.
- Complete the *Non-credit Bearing Professional Development Program Fee Approval form* to begin the process of developing the rates.
- Provide Financial Management with documentation supporting new rate calculations and adjustments to existing rates using the appropriate fee forms.
- Assist Financial Management with break-even (pro-forma) analysis.
- Establish a separate account in the university's accounting systems to record the actual revenues, billings, collections, and surplus or deficit.
- Document the account and source of funding for subsidies.
- Monitor collections on accounts receivable.
- Review actual costs post program and billing rates annually; adjust when necessary.
- Maintain records to document the actual costs of the program, number of participants, revenues, billings, collections, and the annual surplus or deficit.

Financial Management

- Calculate non-credit bearing professional development program rates with assistance from the department.
- Calculate projected break-even (pro-forma) and perform annual reviews of break-even with assistance of departments.
- Review and recommend approval of new rates and changes to existing rates.
- Forward a copy of all approved fee rates to the Controller and Provost designee for final approval.
- Perform periodic reviews of non-credit bearing professional development program rates to determine consistency with this policy and SUNY guidelines.

Human Resources

- Review any compensation for extra service related to employees working on non-credit bearing professional development program rates.

Unit Business Officer

- Review and approve program rates, including justification for subsidies.
- Provide guidance on establishing and reviewing:
 - Departmental fee accounts
 - Procedures for billing and collecting revenue
 - Standard operating procedures, segregation of duties, and compensating controls

University Controller

- Review and approve all rates, as appropriate.

Provost Designee

- Review and approve all rates, as appropriate.

Office of Micro-Credentials

- Review and approve micro-credential proposals.

Contact Information

Contact	Phone	Email
Financial Management	716-645-2640	ubs-fees@buffalo.edu
Provost	716-645-6003	ypea@buffalo.edu

Related Information

University Links

[Allowable Use of Funds Policy](#)

[Approval Authority Policy](#)

[Fee Development and Cost Accounting](#)

[General University Service Fee Policy](#)

[Gifts, Prizes, and Awards Policy](#)

[Managing University Assets Policy](#)

Non-Credit Bearing Professional Development Program Procedures

[Office of Micro-Credentials](#)

[Safeguarding Cash and Cash Equivalents Policy](#)

[Travel Policy](#)

Forms

[Micro-Credential Proposal Form](#)

[Non-credit Bearing Professional Development Program Fee Approval Form](#)

Related Links

Micro-Credentials at SUNY

<http://system.suny.edu/academic-affairs/microcredentials/>

State University of New York Capitalization Policy and Depreciation Policy for Capital Assets, Document Number 7004

https://www.suny.edu/sunypp/documents.cfm?doc_id=559

State University of New York Continuing Education Unit Guidelines, Document Number 1301

https://www.suny.edu/sunypp/documents.cfm?doc_id=164

State University of New York Fees, Rentals, and Other Charges Policy, Document Number 7804

http://www.suny.edu/sunypp/documents.cfm?doc_id=398

Presidential Approval

Satish K. Tripathi, President

Date

Non-credit Bearing Professional Development Program Procedures

Non-credit Bearing Professional Development Program Billing Rate

Policy Requirements

A non-credit bearing professional development program billing rate is the cost per participant to participate in the program. Costs included in the rate calculation must be:

- Allowable
- Directly attributable to the program
- A necessary and appropriate component of the rate
- Documented
- Reviewed post-program or annually for recurring programs

New rates and changes to existing rates must be reviewed and approved by:

- Financial Management
- Department chair or head
- Unit Business Officer (UBO)
- University Controller
- Provost Designee

Rates for recurring programs must be reviewed prior to the next program and adjusted as necessary.

Procedural Guidance

Callout: If the department is submitting a fee for a Micro-Credential, they also need to have the program approved by the Office of Micro-Credentials: <https://www.buffalo.edu/content/www/micro-credentials/internal/proposal-pw.html>

Program Base Rate = Budgeted Costs/Budgeted Number of Participants

Budgeted costs are based on prior program costs or an estimate of the upcoming program costs. New program rates must be based on a reasonable estimate of the costs to provide the program.

Budgeted number of participants is the total number of individuals expected to participate in the program. This budgeted number must be based on the total number of participants regardless of whether the participant is charged. This is necessary to avoid having some participants pay higher rates to compensate for reduced rates charged to other participants.

Once the program base rate is calculated, variable billing rates may be established, based on the participant types.

Internal Rate = (Cost - Subsidies):

- The internal rate is billed to internal participants; internal participants include academic, research, administrative, and auxiliary units whose originating source of funds is within or flows through the university. The originating source includes State, RF, UBF, and Faculty Student Association (FSA) funds.
- The same internal rate must be charged to all internal university participants. Multiple internal rates can be established if alternate pricing structures (e.g., based on department affiliation) have a sound management basis, do not discriminate among participants, and do not result in recovering more than

the cost of hosting the program. All internal rates must be recorded to ensure that they are not inappropriately charged to other participants.

- Internal rates are based on the program base rate (cost), less any approved subsidies.

External Rate = (Cost + GUSF + Markup):

- The external rate is billed to external participants; external participants are individuals or organizations whose originating source of funds is outside the university. External participants include faculty, staff and students acting in a personal capacity.
- Multiple external rates can be established if alternate pricing structures have a have a sound management basis, are measurable, and do not discriminate among participants. Examples of acceptable external rates include external student, external faculty/staff, and external community/industry.
- External rates are based on the program base rate (cost), plus GUSF and any approved markups. Markups must be justified based on going market rates for similar programs.
- External rates may be subject to sales tax and Unrelated Business Income Tax (UBIT)

Non-credit Bearing Professional Development Program Allowable Expenses

Allowable Expenses					
Expense Type	Purpose	Description	Allowabl e State	Allowable RF	Allowable UBF
Salary and Wages	Administrative Staff	Actual anticipated percentage of effort by the staff and work should be directly related to the rate being charged (current salary and fringe)	Yes	Yes	Yes
Salary and Wages	Extra-Service Faculty	Extra-service costs of instruction for academic staff who perform duties related to a non-credit bearing educational development course	Yes	Yes	Yes
Salary and Wages	Faculty	Cost of instruction for academic staff and technicians who perform duties in conjunction with a credit-bearing or required course leading to a degree (tuition and State support are provided for this purpose)	No	No	No
Food and Beverage	Food and Beverage specific to the program	The food and beverage is related to the specific program	Yes	Yes	Yes
Food and Beverage	Alcoholic Beverages	Alcoholic beverages related to program rate	No	No	Yes
Travel	Travel specific to the program	The travel is related to the specific program. Refer to the Travel Policy for more information.	Yes	Yes	Yes
Printing and Postage	Printing and postage	The printing and postage charges are reasonable and a necessary component of the program rate	Yes	Yes	Yes
Materials, Supplies, Equipment	Materials and supplies specific to the program	Can result in a tangible product retained by the participant or where a special service is provided	Yes	Yes	Yes
Materials, Supplies, Equipment	Supplementary text, software and resource materials	These are not available through the university bookstore but are required for program	Yes	Yes	Yes
Materials, Supplies, Equipment	Scientific chemicals and laboratory waste	Required part of program and necessary component of rate as proper disposal is also required	Yes	Yes	Yes
Materials, Supplies, Equipment	Equipment expense is less than \$5,000	Cost of \$1-\$999 – expense total cost in the year purchased Cost of \$1,0000 – \$ 4,999 expense cost over a three-year period	Yes	Yes	Yes
Materials, Supplies, Equipment	Classroom equipment	Typical classroom furniture, used for multiple instructional purposes and part of a regular instructional budget	No	No	No

Materials, Supplies, Equipment	Computer equipment or software maintenance	The equipment usage, primary software, computer maintenance, and related supplies or any other expense is covered by the Technology Fee	No	No	No
Other Expenses	Gifts, Prizes and Awards	Recognizing community members, employees, and students for their merits and contributions in meaningful ways through the use of gifts, prizes, and awards. Such items may not be lavish or extravagant, and must comply with funding source restrictions outlined in the Gifts, Prizes and Awards Funding Chart (Chart) .	Yes	Yes	Yes
Other Expenses	General University Service Fee (GUSF)	The administrative costs associated with revenue collected as part of the program rate	Yes	Yes	Yes
Other Expenses	Donations and contributions	This can include cash, property and services, made by the university to other entities	No	No	Yes
Other Expenses	Volunteer personnel	Volunteer costs are less than the calculated rate of hiring facilities or outside agencies to service the program	Yes	Yes	Yes
Other Expenses	Student or Participant Admission cost	The admission costs for trips are required for the program	Yes	Yes	Yes
Other Expenses	Professional Services	Speakers, lecturers, or presenters that are a required component of the rate	Yes	Yes	Yes
Other Expenses	Bad Debt	Any losses from previous year or deficit in related program account	No	No	No
Other Expenses	Advertising, promotional material, start-up	Any costs for advertising, sending out promotional material, or expenses related to the start-up of the program	No	No	Yes
Other Expenses	Fundraising	Any fundraising costs associated with the program rate	No	No	Yes

* For additional information, reference the [Allowable Use of Funds Policy](#) and [Allowable Use of Funds Chart](#)

Related Forms & Links

- [Non-credit Bearing Professional Development Fee Approval](#)
- [Travel Policy](#)
- [Allowable Use of Funds Policy](#)
- [Gifts, Prizes and Awards Policy](#)

Responsible Individuals

Task	Title or Department Responsible
Provide Financial Management with all necessary information to calculate program rates by filling out the Non-credit Bearing Professional Development Approval Request	Department Contact
Review program rates and cost components for each program for reasonableness post-program and at least annually	Department Contact
Forward documentation supporting the calculations for new program rates and adjustments to existing rates to Financial Management for review and approval	Department Contact
Provide guidance in the calculation of program rates.	Financial Management
Provide guidance in the calculation of project break-even (pro forma)	Financial Management
Review and recommend approval of new rates and changes to existing rates for non-credit bearing professional development programs.	Financial Management
Review and approve non-credit bearing professional development program rates.	Unit Business Officer, Controller

Determining Levels of Subsidization (for internal participants) or Margins (for external participants)

Policy Requirements

Non-credit bearing professional development program rates must be developed so that revenues offset costs for each program.

With proper approval, program operations may be subsidized, if the program is meeting research or educational mission to serve the university. When rates are lower than cost, the resulting deficit cannot be carried forward as an adjustment to future billing rates.

Internal Participants

Participants whose payment source is university funds (State, Research Foundation, UB Foundation) cannot be charged more than cost.

Subsidized Participants

With proper approval, the department may choose to allow attendance at no charge or at a lower rate than other participants, however, the program rate must be calculated for all internal participants based on total expenses and total participants. Variable rates must be based on clear and identifiable criteria.

Margins for External Customers

Departments are permitted to charge external participants a rate higher than the rate charged to internal participants. Departments are required to track revenues and costs associated with external participants separately to avoid the perception of overcharging.

Rates charged to external customers may include:

- Full direct costs of the program operation including direct costs not charged to internal users
- General University Service Fee (GUSF)
- Sales tax, where applicable

External rates cannot be significantly different than the prevailing rate for identical program provided by other organizations in the area.

Revenue from external users may have Unrelated Business Income Tax (UBIT) implications.

Procedural Guidance

During the rate development process, Financial Management will provide an annualized break-even pro-forma and will assist with reviewing the break-even analysis annually.

Because external rates cannot be significantly different than the prevailing rate for identical programs provided by other organizations in the area, departments will need to submit market comparisons if charging above or below break-even.

Related Forms & Links

Not applicable

Responsible Individuals

Task	Title or Department Responsible
Review and approve justification for subsidies	Unit Business Officer

Establishing Non-credit Bearing Professional Development Program Accounts

Policy Requirements

All newly established non-credit bearing professional development program fees must be deposited in a separate account. An Income Fund Reimbursable (IFR) account should be established to record program activity. A Research Foundation (RF) income account, and/or a University at Buffalo Foundation (UBF) account may be established to record program activity with prior approval from Financial Management and the university Controller.

Procedural Guidance

At a minimum, programs must have at least one account for tracking revenue and expenditures. If a program has funding from multiple funding sources (i.e., registration revenue and expenses in state IFR; donation funding in UBF), all accounts related to the program must be documented in the approval forms.

Related Forms & Links

New Account Request Forms

- [State Income Fund Reimbursable \(IFR\)](#)
- [Research Foundation Service and Facility](#)
- [University at Buffalo Foundation](#)

Responsible Individuals

Task	Title or Department Responsible
Request separate account(s) in the university's accounting systems to record program revenues, expenditures, and reserves.	Departments
Provide guidance on establishing and reviewing accounts.	Unit Business Officers

Contract Requirements

Policy Requirements

A university member may not sign or otherwise execute a procurement contract that binds the university unless they have been delegated signature authority in accordance with the [Approval Authority Policy](#). Refer to the *Financial Management of Non-credit Bearing Professional Development Procedures* to request a contract.

Procedural Guidance

Departments should work with [Purchasing and Contract Services](#) to negotiate contracts with vendors. Requests can be made via the [ShopBlue Request Form](#).

No member of the university may sign or otherwise execute a procurement contract binding the university unless they are a delegated signature authority.

Related Forms & Links

[Approval Authority Policy](#)
[ShopBlue](#)

Responsible Individuals

Task	Title or Department Responsible
Work with Purchasing and Contract Services to set up contracts	Department Contact
Prepare and sign agreements	Assigned Procurement Representative from ShopBlue No member of the university may sign or otherwise execute a procurement contract that binds the university unless he or she has been delegated signature authority. Approval Authority Policy

Billing and Revenue Collection

Policy Requirements

Revenue must be collected using approved non-credit bearing professional development rates.

The department must reconcile accounts receivable against program accounts.

Revenue collection must be processed through a university approved method. Departments may elect not to accept internal methods of payment for the program.

Procedural Guidance

Billing

Billing must be based upon participation, using approved billing rates, and processed on a timely basis.

- Invoices must be based upon documented and properly approved rates.
- All invoicing must be processed on a timely basis (i.e., within one month from the time of program) and with approved program rates.
- Invoices must include the following information:
 - Name of the program
 - Invoice number or another unique identifier
 - Date of program
 - Itemized registration fees (must match approved rate list)
- The department is responsible for monitoring collections on accounts receivable.

Revenue Collection

Depending on the program funding source and the customer's funding source, there are different processes for invoicing and collecting payments.

REVENUE COLLECTION GUIDELINES

Program Funding Source	Customer Funding Source	Invoice Template	Customer Payment Method
State - Income Fund Reimbursable Account (IFR)	State	Interdepartmental Invoice (IDI)	Signed IDI - Recharge Codes on both sides
	RF	Interdepartmental Invoice (IDI)	Signed IDI – RF Expense Code on RF side, Source Code 3311 on State IFR side
	UBF	Interdepartmental Invoice (IDI)	Signed IDI
	External	Invoice	ACH, Wire Transfer, UB Marketplace, Campus Cash
Research Foundation - Non Sponsored Service and Facilities Account (RF)	State	Invoice	ShopBlue (RF as Vendor)
	RF	Interdepartmental Invoice (IDI)	Signed IDI - Recharge Codes on both sides
	UBF	Interdepartmental Invoice (IDI)	Signed IDI
	External	Invoice	ACH, Wire Transfer, RF Marketplace
University at Buffalo Foundation Account	State	Invoice	ShopBlue (UBF as vendor)
	RF	Invoice	ShopBlue (UBF as vendor)
	UBF	Interdepartmental Invoice (IDI)	Signed IDI
	External	Invoice	ACH, Wire Transfer, UBF Marketplace

Internal customers paying with State, Research Foundation or UB Foundation funds CANNOT use a Pcard to make payments. Internal customers must use one of the approved payment methods listed above.

Payment types not listed in table must be approved by Financial Management prior to collection.

Accounts Receivable Tracking

If departments are using multiple payment platforms to collect program fees, keep records of all participants and their payment method. Use Excel if another platform is not available.

Related Forms & Links

[Interdepartmental IDI](#)
[ShopBlue](#)

Depositing Revenue Webpage – Coming Soon (In progress with Financial Management)

Responsible Individuals

Task	Title or Department Responsible
Prepare and issue invoices for program.	Departments
Provide guidance on procedures for billing and collection revenue.	Unit Business Officers

Segregation of Duties and Standard Operating Procedures

Policy Requirements

Departments collecting revenue must ensure that the appropriate segregation of duties is maintained to safeguard funds and the university's reputation, as required in the [Safeguarding Cash and Cash Equivalents Policy](#). For instance, a person who receives payments should not be the person who deposits payments or reconciles the account.

When staffing resources make segregation of duties difficult, compensating controls must be implemented to provide the appropriate checks and balances to detect errors, deter fraud, and prevent concealment of irregularities.

Procedural Guidance

Financial Management can assist departments with templates that outline these procedures.

Related Forms & Links

[Safeguarding Cash and Cash Equivalents Policy](#)
[Standard Operating Procedures for Handling Cash and Cash Equivalents](#)
[Credit Card Procedures](#)

Responsible Individuals

Task	Title or Department Responsible
Develop standard operating procedures for the department, including segregation of duties and compensating controls, as needed.	Department
Provide guidance on establishing standard operating procedures, segregation of duties, and compensating controls.	Unit Business Officers

Record Retention

Policy Requirements

The department must maintain rate development documentation. Documentation includes the actual costs of providing the program, number of participants, billings, collections, and the annual surplus or deficit. These records are subject to external audit (e.g., federal, state, RF, other sponsors) and internal review.

Procedural Guidance

Departments should work within their departments to store documentation.

Related Forms & Links

[Records Management](#)
[Record Retention and Disposition Policy](#)

Responsible Individuals

Task	Title or Department Responsible
Maintain records to document the actual costs of providing the program, participating, revenues, billings, collections, and the annual surplus or deficit.	Department

Other Helpful Tools and Resources

[Purchasing and Contract Services](#)
[Facility Use Agreements](#)
[Office of Micro-Credentials](#)