

Chicago Organization Finance Office (COFO)

Handbook 2009-2010

TABLE OF CONTENTS

I. GENERAL INFORMATION: *Page. 2*

- A. Introduction
- B. COFO Contact Information
- C. Office Address and Hours of Operation
- D. Student Organization Folders

II. NEW ACCOUNTS: *Page. 3*

- A. Activating a COFO Account
- B. Account Number
- C. Advisor

III. INCOMING OFFICERS: *Page. 4*

IV. DEPOSITS: *Page. 5*

- A. Check Format
- B. Depositing Checks and Cash

V. VOUCHER TRANSACTIONS: *Page. 6 - 10*

- A. Submitting Vouchers
- B. Reimbursements
- C. Payments
- D. Check Advances
- E. Transfers
- F. Donations
- G. Scholarships
- H. Held Checks
- I. Unclaimed Checks
- J. Stop Payments
- K. Emergency Checks

VI. FROZEN ACCOUNTS: *Page. 10*

VII. NUFinancial SYSTEM TRANSACTIONS: *Page. 11*

- A. University Services
- B. Account Number
- C. Processing Period

VIII. TAX-EXEMPT STATUS: *Page. 12*

I.GENERAL INFORMATION

A. Introduction

The Chicago Organizations Finance Office (COFO) provides financial services for University-recognized student organizations. Through COFO, student organizations may open and maintain fiduciary accounts, produce checks, and make charges or receive deposits through the NUFinancials system.

University-recognized student organizations enjoy several “umbrella” benefits such as tax-exempt status, certain insurance and legal services, sponsorship, etc. However, for an organization to enjoy these benefits, *all* funds must be deposited in a COFO account. *Student organizations are prohibited from having any additional savings or checking accounts.*

The COFO procedures in this handbook are designed to comply with University regulations. COFO users must abide by the policies and procedures contained in this handbook. If you have any questions regarding COFO policies and procedures, or need assistance relating to your organization’s account, please contact COFO Assistant.

B. COFO Contact Information

COFO Director: Sheila Driscoll
COFO Financial Assistant: Tikky Hes
Email: cofo@northwestern.edu
Office Phone: (312) 503-1365
Office Fax: (312) 503-1950

C. Office Address and Hours of Operation

The COFO office is open Monday, Tuesday and Friday, from 8:30 a.m. to 4:30 p.m. (Closed for lunch 11.30am to 12.30pm), and is located in Abbott Hall, 710 N. Lake Shore Drive, 7th Floor, Room 703, Chicago, IL 60611.

D. Student Organization Folders

Each student organization has a folder, located in the COFO office. Receipts, original check requests, and other COFO materials are filed in these folders. Requested information, such as check requests, account statements or additional tax-exempt forms, may be left in the Abbott Hall mailroom or during office hours in the COFO office on the 7th floor.

II. NEW ACCOUNTS

A. Activating a COFO Account

Before establishing a COFO account, a new student organization must be approved by one of the following recognizing bodies:

- *University School or Program*
- *Athletic Department*
- *Chaplain's Office*
- *Vice President of Student Affairs*

B. Account Number

Each COFO account has a unique two-digit number, which is assigned to new organizations after two officers, preferably the president and treasurer, have completed COFO training.

C. Advisor

Each student organization must have an advisor, who is either a staff or faculty member of the University.

III. INCOMING OFFICERS

Two officers (usually the president and the treasurer) from each student organization must receive COFO training. COFO-trained officers must:

- **Read the handbook.**

Officers are responsible for reviewing and abiding by the COFO policies and procedures detailed in this handbook.

- **Reconcile the student organization's ledger.**

Incoming treasurers must obtain their organization's ledger and voucher book from the previous treasurer. Incoming treasurers should bring the ledger when they receive COFO training, in order to confirm that the balance from their organization's ledger agrees with the most recent COFO account statement. Any discrepancies between the organization's ledger balance and the COFO account statement balance will be resolved at this time. If an account deficit is found at this time, group officers will have 30 days in which to resolve the deficit before the account is frozen. This may require the organization to pay any outstanding bills and/or clear outstanding check advances. In addition, outgoing officers must balance their group's ledgers with the COFO financial assistant prior to the end of the school year.

- **Submit signature cards.**

Regardless of the internal structure of a particular student organization, each COFO account requires two signatories. One of the signatories will act as the organization's treasurer, who is personally responsible for the account. The two officers' signatures indicate their acceptance of all COFO and University guidelines pertaining to the use and maintenance of their account. Signature cards must be signed in the presence of a COFO staff member.

IV. DEPOSITS

A. Check Format.

Checks deposited in a student organization's COFO account *must be made payable to Northwestern University*. The organization's two-digit number should also be recorded on the memo line of each deposited check. COFO will only accept valid checks for deposit. Checks are valid if:

- Signed by the owner or manager of the relevant checking account
- The date on the check is less than six months from the date of deposit. Please be aware that a check may have a shorter expiration period than specified on its face.
- The numerical amount matches the amount written below the payee information.

B. Depositing Checks and Cash

Checks may be deposited at the COFO office during office hours. Checks must be placed in an envelope and the following information should be written on the outside of the envelope:

- Total amount of deposit
- Student organization name
- Student organization account number.

COFO will leave a receipt for each deposit in the organization's COFO folder.

If a check deposited with COFO is returned from the bank as non-negotiable due to insufficient funds, COFO will deduct the check amount and the bank's fee from the organization's account. *It is the responsibility of the student organization to collect money from any person who issues them an insufficient funds check.*

For security reasons, cash must be delivered in person, counted and acknowledged in writing by both the COFO staff and student officer. Officers with cash deposits should contact the COFO office to arrange a time to drop off cash deposits. Please email the COFO staff at cofo@northwestern.edu to schedule an appointment. Cash will be counted in the presence of an officer, and a receipt will be issued at that time.

V. VOUCHER TRANSACTIONS

A. Submitting Vouchers

Vouchers are used by student organizations to request checks or initiate transfers between organizations with COFO accounts. Officers should submit the white copy of each voucher to the COFO office, keeping the yellow copy in the voucher book for their own records. Any required “back-up” documentation should be stapled to the back of the white voucher being turned in to the COFO office.

COFO will only process vouchers signed by both of the two officers that have signed signature cards. This is for the security of all accounts. *Officers should not pre-sign vouchers.*

Forgery on a voucher will result in the immediate loss of signatory privileges. In such cases, the organization’s account will be frozen until new officers are COFO-trained and replacement signature cards are signed.

After being processed, vouchers and original back-up documentation are filed in the organizations’ folder in the COFO office. These are available for reference by Officers, and should be left in the COFO file cabinet for record-keeping purposes.

B. Reimbursements

Reimbursement checks are issued in order to reimburse students who have used their own money to purchase items for a student organization. Requests for reimbursement checks require back-up documentation, which should be stapled to the back of the white voucher submitted to the COFO office. Acceptable back-up documentation for reimbursements must be either:

- *An original receipt, or*
- *An original invoice stamped with “Paid in Full.” (If organization members pay a vendor directly, the vendor should stamp the invoice with “Paid in Full” in order to verify payment.)*

Other types of back-up documentation will not be accepted. In particular, *COFO will not accept copies, faxes, bank statements, or credit card statements.* In the event

that back- up documentation has been lost or is no longer obtainable, officers should contact the COFO office, rather than attach inappropriate back-up documentation.

Handwritten receipts or invoices must be itemized and created on the vendor's company letterhead. Additionally, the organization's advisor must sign handwritten receipts or invoices.

For tax-reasons, all individuals who provide services for an organization must be paid using a COFO check. *Reimbursements will not be issued to student organization members who use their own money to pay these individuals.* Instead, a payment voucher should be submitted to the COFO office to obtain a check for these services.

C. Payments

Payment checks are issued in order to pay vendors or individuals directly. Requests for payment checks require back-up documentation, which should be stapled to the back of the white voucher submitted to the COFO office. Acceptable back-up documentation for payments must be one of the following:

- *An original invoice.* Statements, packing slips, or faxes will not be accepted.
- *A contract.* A formal contract is required to pay individuals more than \$200.00 for services provided. Formal contracts with individuals providing such services are properly *between the University and the individual.* Thus, students may not sign contracts on behalf of their organization. Formal contracts require the signature of the student organization's advisor.
- *Registration/dues form and member list.* Back-up documentation for payments made to an organization's national administration or headquarters should include the original registration/dues form and a list of the names of members being registered.

D. Check Advances

Check advances for up to \$500 are available when a student organization needs to make a purchase before an invoice can be obtained. Each organization may have only one check advance outstanding at a time. Check advances may not be used for items

already purchased or for past events.

Requests for check advances do not initially require back-up documentation, but the voucher submitted to the COFO office should provide a description of the planned expenditure. Within two weeks of the date on the check issued pursuant to a check advance request, the organization must submit a receipt for purchases made using the check advance. If a receipt is not received within two weeks, the organization's account will be frozen.

- *Underage:* If less than the amount of the check advance is spent, the remainder should be returned, along with the receipt, to the COFO office. The receipt will complete the back-up documentation for the check advance. The unspent amount will be credited back to the organization's account.
- *Overage:* If more than the amount of the check advance is spent, the receipt should be attached to the back of a new voucher, requesting reimbursement for the overage. The new voucher should include a note that the receipt and reimbursement request complete the back-up documentation for the check advance.

E. Transfers

Transfers are the only type of voucher transaction that do not require back-up documentation. Transfers may only be made to other student organizations that have COFO accounts. A transfer voucher should indicate the name and account number of the organization being credited, along with a short description of the purpose for the transfer. The organization making the transfer is responsible for notifying the receiving organization of the transfer.

F. Donations

An original letter from the student organization to the entity receiving the donation is sufficient back-up documentation for this type of check request. The letter should state the amount being donated, the name of the student

organization, and the name of the entity receiving the donation.

G. Scholarships

Any checks written for the purpose of awarding a scholarship must be made out to both the recipient and the pertinent academic institution. Scholarships are considered a component of financial aid, which must be reported to the financial aid office at the academic institution attended by the recipient. An original letter from the student organization to the scholarship recipient's academic institution is sufficient back-up documentation for this type of check request. The letter should state the amount being donated, the name of the student organization, the name of the scholarship recipient, and the name of the academic institution.

H. Held Checks

A check may be held by COFO for the following reasons:

- *Insufficient funds.* If a student organization does not have enough money in their account to cover the amount of the check, the check will be held until sufficient funds are deposited into the account.
- *Unacceptable or missing back-up documentation.* If back-up documentation is absent, or does not comport with COFO policy, no check will be written.
- *Missing signature.* If a voucher is missing an officer's signature, the officer will need to sign the voucher before a check is issued.

I. Unclaimed Checks

COFO checks are good for 90 days. Any checks that remain at COFO after 90 days will be voided and credited back to the student organization's account.

J. Stop Payments

Stop payments for checks will be initiated *three weeks* after the request is made, pending verification that the check in question has not cleared the bank. The bank fee for stopping payment on a check will be deducted from the student organization's

account.

K. Emergency Checks

Checks are written twice a week, on Mondays and Wednesdays. Any check received by the COFO office by 8:30 a.m. on Monday and Tuesday will be written on those days. For example, if you need a check by Friday, it should be left with the COFO office by 8:30 a.m. of the previous Tuesday. Please plan accordingly.

If a check is needed sooner than normally obtainable, an organization may request an emergency check. To do this, one of the COFO-trained officers should email COFO to arrange a time to drop off the necessary voucher (with back-up documentation) and pick up the check. COFO retains the right to refuse the issuance of any emergency check.

VI. FROZEN ACCOUNTS

A frozen account is an account that may not transact business. Transfers (unless to clear a deficit), check writing, and NUFinancials transactions will resume only once problems have been cleared. Deposits may still be made while an account is frozen. An organization's account may be frozen for the following reasons:

- The account is in deficit.
- Two officers have not been COFO-trained, or have not filled out signature cards.
- The organization's advisor or recognizing body requests that the account be frozen.
- A check advance is outstanding or overdue.

VII. NUFinancial SYSTEM TRANSACTIONS

A. University Services

Your COFO account interfaces with the NU Financials system. Student organizations may pay for the following University services by using their NUFinancials number (, or Chart String number):

- Mail Services
- Building and Grounds
- Printing/Duplicating
- Equipment Rental
- Physical Plant
- Motor Pool
- Room Reservations
- Sodexo, Inc.
- Tri-Star

Only COFO-trained officers may use their organization's NUFinancials number (or, Chart String number) to charge for services. The treasurer is responsible for keeping track of NUFinancials charges as they occur.

B. NUFinancials Number (Chart String)

The NUFinancials number (or, Chart String number) for each student organization is in the following format: 732-2105600-#####-01.

The # represents a student organization's unique NUFinancials number (or, Chart String number). It is important that the entire NUFinancials number (or, Chart String number) is used when making charges.

C. Processing Period

When a student organization makes a charge or receives a credit through the NUFinancials system, the treasurer must record the amount of the transaction in a timely manner. This is necessary to accurately reflect the organization's account

balance, since NUFinancials transactions may take as long as 90 days to process or posted into the COFO group account ledger.

VIII. TAX- EXEMPT STATUS

The University has tax-exempt status, which is extended to recognized student organizations. Tax-exempt forms may be obtained from the COFO office, and will allow groups to makes purchases without paying Illinois sales tax. Tax-exempt forms must be used only for purchases made on behalf of a University-recognized student organization and for the benefit of Northwestern University students.