



Treasury Services: Banking, Debt Issuance and Credit Card Acceptance

519.01

Applies to: All Departments and Units of the University

I. Overview

The university maintains centralized management for all of its Treasury Services. The Treasurer's Office has the exclusive authority to manage the university's banking services, including the opening and closing of accounts; issue debt (including bonds and commercial paper, loans, lines of credit, letters of credit and other similar financing obligations) on behalf of the Regents of the University of Michigan; and establish merchant accounts for the acceptance of credit card payments. The Treasurer's Office provides depository services for deposits of cash and checks, electronic payments (i.e., wire transfer and EFTs), check writing, and other financial services for the convenience of the university community.

II. 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, the Treasurer has overall responsibility for the administration and oversight of all banking services for the University and for the issuance and management of the University's debt.

III. Scope of Treasurer's Office Activities

A. Banking Services

The Treasurer's Office has overall responsibility for the administration and oversight of all banking services for the university. This includes the exclusive authority to establish bank accounts in the name of the Regents of the University of Michigan or University of Michigan and under the university's tax identification number. In managing the university's bank relationships, the Treasurer has the authority to:

1. Open, close and manage all bank depository and disbursement accounts, select account features (e.g. positive pay and controlled disbursement) for those accounts, and negotiate bank fees.
2. Establish all lockbox services, as required.
3. Approve all lease and license agreements for automated teller machines (ATMs) and cash dispensing machines (CDMs) located on university property.
4. Authorize individual wire transfers and ACH transfers, repetitive transfer templates, balance reporting and other bank-related services
5. Authorize, complete and sign forms and related documents on behalf of the university, certifying bank account information.
6. 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

B. Debt Obligations

The Treasurer's Office has overall and exclusive responsibility for issuing and managing the University's debt (including bonds and commercial paper, loans, lines of credit, letters of credit, and similar financing obligations) issued in the

name of the Regents of the University.

1. Certain lease arrangements if deemed capital leases, or other leases that impact the University's debt capacity, would fall under the Treasurer's Office delegated authority for debt issuance.
2. Debt obligations of the university must be authorized by the Regents of the University of Michigan (or its delegate).

C. Acceptance of Credit Cards

Through the university's merchant services program, units may accept credit cards for payments and donations from students, faculty, staff, alumni, donors, and others. The Treasurer's Office is the delegated U-M authority for negotiating a single-source, university-wide contract with a merchant acquirer (credit card payment processor). In addition, the Treasurer's Office serves as the administrator for the merchant services program, which includes the development and oversight of policies for the acceptance of credit cards, and is authorized to review and approve all requests to facilitate the acceptance of credit card payments.

1. Merchants are responsible for safeguarding cardholder data in all formats and complying with the requirements of the Payment Card Industry Data Security Standard (PCI-DSS) which are located at www.pcisecuritystandards.org, as well as policies established by the Treasurer's Office which are located at www.treasury.umich.edu.
2. Departments and units are required to report a suspected breach or unauthorized disclosure of credit card data in accordance with Information Security Incident Reporting (SPG 601.25).

D. Other Treasury Services

1. The Treasurer's Office has overall responsibility for the Mcard, the official identification card at the University of Michigan (SPG 601.13).
2. The Treasurer's Office has responsibility for claiming assets held by any state as unclaimed property in the name, or derivation thereof, of the Regents of the University of Michigan or the University of Michigan.

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Printable PDF of SPG 519.01	27.17 KB
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Applies to:

All Departments and Units of the University

Owner:

Office of the Executive Vice President and Chief Financial Officer

Primary contact:

Office of the Executive Vice President and Chief Financial Officer

Related policies:

[Delegation of Authority to Bind the University to External Agreements on Business and Financial Matters](#)
[Fiscal Responsibilities](#)
[University Investments and Endowment Funds](#)

Related links:

[Treasurer's Office](#)
[Payment Card Industry Data Security Standard \(PCI-DSS\)](#)

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