

# SOUTHERN UNIVERSITY

## COMPTROLLER'S OFFICE

AUX-806

### **POLICIES AND PROCEDURES GOVERNING COMPARISON OF COMMISSION AND RENTAL REVENUES PER GENERAL LEDGER TO CONTRACT SPECIFICATIONS**

#### **PURPOSE**

The purpose of this Operating Policy/Procedure (OP) is to establish the procedures and guidelines to ensure that the commission and rental revenue measure up to the contract specifications. This policy sets forth guidelines to insure that the contracts are reviewed in a manner that is timely to ensure compliance with university regulations

#### **OVERVIEW**

The General Accounting Section of the Comptrollers Office has the vested responsibility for the financial administration of comparing commission and rental revenue to contract specifications for the Southern University System. Accordingly, the staff must keep abreast of constantly changing policies and procedures to ensure compliance with the policies and procedures of the Federal and State agencies and the University. The accountants in this office function as the financial liaisons funding agencies, project directors the faculty, staff, and other campus administrative offices on financial matters related to comparing commission and rental revenue per general ledger to contract specifications.

#### **DEFINITION**

None.

#### **AUTHORITY FOR WRITING, UPDATING AND INTERPRETATION**

The authority for writing, updating and interpreting the applicable policies and procedures is vested with the Office of the Vice Chancellor for Finance and Administration.

The authority for compliance with these requirements rest with the Office of the Comptroller, Division of General Accounting through the Director of Accounting Services, Associate Comptroller and the Associate Vice Chancellor for Financial Operations and Comptroller.

#### **RESPONSIBILITY FOR NOTIFICATION OF CHANGES**

The responsibility for notification of changes in applicable regulations, policies and procedures is vested with the Office of the Comptroller: Division of General Accounting.

## **DUTIES AND RESPONSIBILITIES**

The Accounting Supervisor within the Comptroller's Office is responsible for the preparation and submission of correspondence requesting the contracts as needed. The steps required for processing are outlined below.

## **PROCEDURES FOR COMPARISON OF COMMISASION AND RENTAL REVENUE PER GENERAL LEDGER TO CONTRACT SPECIFICATIONS:**

1. The Accountant receives the contracts for Canteen, Coca-Cola, ATM rental (Chase Morgan Bank and Capital Bank), Webb's Laundry Service, Geno Amusement Machine Service and Follett Bookstore, from the Auxiliary Service Manager each year.
2. Some contracts are for more than one year.
3. The accountant reviews the contract, indicates the date in which payment is due and what documentation is needed. A worksheet is prepared for each contract.
4. When the payment (check) is received the receptionist clocks the check in and gives the check to the Accountant. If payment (check) is not in, the accountant contacts the vendor or the Auxiliary Service Manager.
5. The accountant codes the check and makes a copy of all documentation as a backup.
6. The accountant checks the calculations on the documentation to verify that the amount the check is for is correct.
7. If payment is not received in a timely manner, the accountant sends a letter, invoice, or makes a telephone call to the vendor inquiring why payment has not been rendered.
8. The Auxiliary accountant checks the ledger (Screens 019 and 023) to see if the checks are recorded to the right income account.
9. The Accountant informs the Auxiliary Service Manager of the status of the payment.
10. Other rental contracts come from the Student Union for Rental of Ballroom Barber Shop, Amusement Machine and Beauty Shop.
11. The contract for Coca-Cola is handled through the Chancellor's Office. This contract is usually for a period of ten years.
12. The accountant passes the reconciliation to the accounting supervisor.

**NOTE: This is due on the 30<sup>th</sup> of each month.**

- ☐ Approved
- ☐ Disapproved

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Mrs. Gwendolyn A. Bennett  
Associate Vice Chancellor for Financial Operations/Comptroller

- ☐ Approved
- ☐ Disapproved

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Mr. Flandus McClinton, Jr.  
Vice Chancellor for Finance and Administration