



Category:  
Academic Affairs  
Financial

Responsible Office:  
[Office of Global Affairs](#)

Procedure Title:  
Study Abroad Programs: Financial Procedures for Using the Paymaster

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7012

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This procedure item applies to:  
State-Operated Campuses

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## Summary

The State University of New York (SUNY or State University) retains the services of a fiscal agent (Paymaster) for the State University study abroad programs (SAP) to facilitate payments to partner institutions and program providers. The Paymaster will maintain accounts at an acceptable financial institution for payments in dollars or foreign currency to partner institutions and program providers from funds transmitted by the participating SUNY campus.

Use of the Paymaster account can be particularly advantageous if users purchase foreign currency when estimated budgets are prepared (for currencies articulated in the contract) prior to payments being required. Doing so allows for costs charged to students to remain at budgeted levels despite fluctuations in exchange rates.

Campuses are not required to use the Paymaster account and can use an Income Fund Reimbursable (IFR) account to administer the funds relating to an SAP.

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## Process

- A. Each program should have a separate budget. Generally, there will be three types of budgets: (1) provider or host-university, (2) faculty-led, or (3) campus run overseas site, though allowances should be made for variation. There could be a fourth type of budget for site visits.
  1. A program provider or partner institution budget should specify the amounts available for tuition, room, board, excursions, and other student expenses which are paid directly to them.
  2. Budgets for faculty-led programs should include all expenses to be paid on behalf of students such as room, meals, excursion, museums, local transportation, etc. Faculty-led budgets should also include expenses to be covered for faculty leaders. Faculty expenses should not exceed allowed per diems for the cities visited. Faculty-led budgets should also include expenses collected for adjunct instruction, adjunct supervision, supplies, etc.

3. Budgets for campus facilities maintained overseas should include all of the above, as appropriate, as well as the cost of facilities, salary for local staff, taxes, legal fees, equipment, memberships, staff travel, etc. Budgets should indicate the overall annual program budget and amounts charged to students.
4. Budgets for SUNY staff travel for site visits that are not allocated to individual program budgets should be prepared in anticipation of such trips.

In each type of budget listed above, the budget should specify the amounts allocated for overseas expenditures to be paid out of the Paymaster account, from IFR funds, and/or via an agency account (restricted only for expenses paid on behalf of students for overseas charges for room and board, visa, air fare, excursions and related overseas items).

Please note campuses will be charged a fee every time a transaction is paid from the Paymaster account. If U.S. dollars will be used as the primary currency for the study abroad program, it may be advisable to run this program out of an income fund reimbursable account, if practical.

The portion of the program budget to be paid out of the Paymaster account should be compiled into one "Paymaster budget" which is submitted to the Office of Global Affairs (OGA) at System Administration. The Paymaster budget should be approved by the international office and campus budget office before submission to OGA.

- B. Campuses may submit annual budgets, biannual budgets or supplemental budgets. (see template attached). Annual budgets should be submitted by July 1 of each year; biannual budget should be submitted by July 1 and November 1 of each year; and supplemental budget should be submitted as needed. The administering campus Director of International Education (DIE) or designee shall send the overall intended Paymaster budget, separately listing each program to the OGA for its approval and authorization. OGA will review the budgets for obvious errors and omissions, and will verify that there was adequate campus oversight by the DIE and campus business office.  
  
Fluctuations in actual expenditures in individual program budgets due to enrollments, currency exchange rate, programs costs, etc, do not need to be reviewed by OGA unless an increase in the overall budget is required.
- C. Within 30 days of receiving the request from the administering campus, unless additional clarification is required, OGA will provide the budget approval. OGA will send the approval letter to the administering campus DIE and will advise in writing of the approval to the Office of the State Comptroller (OSC) and provide copies of the budgets.
- D. The campus DIE will then submit a purchase order to the Paymaster for signing/authorization. The signed purchase order and copy of the approval letter and program budget will then be submitted to the campus purchasing office (please note the purchase requisition does not have to be for the full budgeted amount since numerous requisitions can be submitted during the course of the academic year).
- E. The campus purchasing office encumbers the funds against the SUNY-wide contract and submits the encumbrance documents (AC-340 ) and a copy of the approval letter and budget to OSC for approval and audit release.
- F. The campus accounts payable or applicable department will process the vouchers for payment in order for OSC to issue a check or ACH to the Paymaster.
- G. All subsequent transactions (e.g., individual payments and variations in actual amounts to be expended for separate programs) are dealt with directly with the Paymaster per the contract document.

## H. Procedures for expenditures and purchasing of equipment.

1. New York State Procurement guidelines need to be followed for all vendor contracting/subcontracting. The New York State Procurement guidelines do not apply to affiliation agreements signed between an academic institution and a campus for establishing a SAP
2. Receipts or other proof of payment for all expenses must be obtained and reconciled in a similar manner to IFR funded expenditures. It is possible in almost all cases to obtain proper receipts for expenses paid. In most cases, the receipt is simply the invoice based upon which payment is made. Invoices are not necessary for the payment for services of on-site staff, adjunct instruction, adjunct supervision, secretarial, and other support staff when the individual giving the services is listed as payee.
3. Personal service related payments, including additional compensation to a regular employee that supplements base pay, need to be processed through Human Resources and must follow New York State Policies and Procedures.

When a program director or faculty leader, who is listed as payee, receives a sum to be paid to overseas personnel (e.g., tour guides, visiting lecturers, etc.), receipts signed by the recipients must be obtained to acknowledge payment was received. Similarly, if a faculty leader or program staff is provided funds to pay for student expenses (e.g., transportation, rooms, meals, museum entrances, etc.), receipts must be obtained. Amounts that were paid in advance that did not have any back-up receipts to support proof of expenses will need to be reimbursed by the program director or faculty leader.

4. When the Paymaster account is used to pay the expenses of SUNY faculty or staff while traveling overseas, receipts must be obtained for expenses in a manner similar to campus travel expense reconciliation, and NYS/IRS per diem allowances must be observed.
5. The purchase with Paymaster funds of any equipment to be located in an overseas office of an approved program must be approved in advance by the campus. An inventory must be kept of this equipment in a similar manner as campus located property. Procurement procedures may need to follow normal campus rules and may also need to conform with host country regulations

## I. Flexibility in program budgets and approval of additional funds.

1. Enrollments in programs, program costs, and currency exchange rates may vary greatly resulting in budgeted expenses being off. Campuses should review expenditures on a regular basis and make adjustments as needed to ensure funds are available to pay anticipated expenses and that expected revenue will meet obligations.
2. If it is determined that additional funds must be allocated during the course of the year, the DIE, campus budget office, and OGA must approve adjustments to the Paymaster budgets following the usual procedure.
3. Due to fluctuations in program enrollments, budget reserves may be accumulated and held in the Paymaster account. Reserves may be rolled into future cycles, especially when needed to avoid a lack of funds before funds from the next budget cycle arrive. Campuses may hold reserves in foreign currency to lock in rates and not be forced to adjust program charges when exchange rates spike. Campuses should review amounts held in reserve and make adjustments in annually.

## J. Monthly reports and reconciliation

1. The campus is responsible for reviewing actual expenditures for all SAPs, and adjusting future budgets accordingly. Campuses should regularly review program budgets to assess viability of programs.
2. Monthly Paymaster activity reports, received by OGA from the Paymaster, will be sent to the campus for review of expenditures made and balances held by the Paymaster. The campus DIE or designee shall reconcile the expenditures contained in this report to the actual expenses made during the month. Any discrepancies must be investigated timely, with any erroneous transactions corrected with the Paymaster.
3. The campus DIE or designee should reconcile the actual expenses to the budget for each SAP on an annual basis at the close of each fiscal year, and submit the reconciliations to the business office for review. Budgets for ongoing SAP programs should reflect the differences noted during this reconciliation to provide more accurate estimates in future years.

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### Forms

[Form A](#) - Request for Payment (RFP)

[Budget Review and Approval Template](#)

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### Related Procedures

[Study Abroad Programs: Financial Procedures](#)

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### Other Related Information

[International Programs in Sensitive Areas, Policy for](#)

[Agency Accounts](#)

[Memo to Presidents: Income Fund Reimbursable Accounts](#)

[International Study Abroad](#)

[Paymaster Contract](#)

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### Authority

Memorandum to campus business officers from the University controller dated February 27, 1990 outlining overseas academic programs (OAP) financial procedures.

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### History

Previously the financial procedures relating to the use of the State-contracted Paymaster as fiscal agent for Study Abroad Programs were included as part of SUNY Policy#7010 – Study Abroad Programs: Financial Procedures

## Appendices

There are no appendices relevant to this procedure.