

SAM—CASH

FISCAL AGENTS (New 9/91)

8002.1

Fiscal agents are financial institutions or other third parties receiving remittances and/or making disbursements on behalf of the State. The State's normal procedures for receipts and disbursements— should be used whenever possible to minimize the use of fiscal agents.

If unusual conditions exist requiring the use of fiscal agents, requests for approval should be submitted to the Department of Finance, Fiscal Systems and Consulting Unit. All requests shall include the following information:

1. Justification for the need for a fiscal agent.
2. Name and location of the fiscal agent.
3. Description of all functions to be performed by the fiscal agent.
4. Description of the internal control procedures between the State agency and the fiscal agent.

The fiscal agent shall maintain separate bank or savings and loan association accounts to account for any money under its control. The same approval procedures (SAM Section 8002) and reporting requirements (SAM Section 7975) apply as to any account outside the centralized State Treasury System.