


Standard Operating Procedure: **Commission Receipts & Payments**

Division: Campus Dining

Effective Date: 10/12/2022

Executive Director Approval: 

Reference to ASC or State Policy: Records Retention Policy #106

Revisions:

- I. **PURPOSE:** This procedure establishes internal controls to ensure that commissions in Campus Dining are calculated and paid in accordance with contractual requirements.
- II. **SCOPE:** This procedure applies to all CSU Fullerton Auxiliary Services Corporation (ASC) employees who handle Campus Dining contractual commission receipts and payments.
- III. **OBJECTIVE:** Commission receipts and payments procedure is to make sure that the amount of commission receipts and payments are accurate and recorded in a timely manner.

**IV. PROCEDURES:**

**Vendor Commission Receipts.** Various contractual vendors agree to pay ASC commission in accordance with the contractual agreement. The check amount for all commission must be verified by full-time vault staff before preparing the cash receipt and depositing at the bank. The staff verifies the commission received is accurate and vendor submits proper documentation based on each contractual requirement. The prepared cash receipt is submitted to ASC's financial services staff to review and post.

For discrepancies between the collected and the contractual commission amounts, full-time vault staff must follow up with the vendor on the date commission is received. The staff shall inform the Campus Dining director of the discrepancy of the uncollected amount and prepare a 'Request of Invoice' for that amount. The request of invoice shall be approved by the Campus Dining director and sent to the accounts receivable staff for billing.

**Athletics Commission Payments.** ASC agrees to pay cash commission from concession food sales at CSUF athletic games. Cash commission is calculated based on the terms of the executed MOU between the University and ASC. ASC shall transfer cash commission by the 15th of each month for concession sales generated for the preceding month. The calculated Athletics cash commission should be transferred to University Athletics (ASC's campus program) account during ASC's month-end close process. The financial services staff will provide to the Campus Dining director the Athletics commission amounts within five (5) business days after the preceding month's sales is closed for month-end. The approved Athletics cash commission will be recorded in the accounting system.

- V. **APPROVALS:** Vendor commission receipts will be recorded in the cash receipts; the cash receipts will be reviewed by the financial services staff before posting in the accounting system.

Athletics commission payments will also be reviewed and approved by the Campus Dining director before recording in the system.

- VI. **CONTROL & COMPLIANCE:** The contractual commission shall be reviewed by the financial services staff before posting in the accounting system. All posted cash receipts and journal entries, along with supporting documents, will be uploaded to the accounting system. Commission receipts and payments records will be retained for three (3) years in compliance with ASC's records retention policy.

Financial services staff shall verify the commission amount posted in the general ledger against the current contract using the commission reconciliation Excel file during the month-end close process.