

Jack J.Valenti School of Communication
Cash Handling Procedures
Fiscal Year 2016

I. PURPOSE AND OVERVIEW

In accordance with MAPP 05.01.01, Cash Handling, all cash transactions involving the University, its colleges, or any departments are subject to all applicable state laws and regulations and University policies and procedures, including University of Houston System Administrative Memoranda 03.A.07, – Petty Cash Procedures, 03.F.01 – Gift Acceptance, and 03.F.04 – Cash Handling. All University employees have a fiduciary responsibility to the University to handle cash properly. Procedures for the handling of cash receipts are designed to provide accountability for monies received in accordance with accepted standards of internal controls. All employees of the College/Division are responsible for complying with the policies and procedures described below.

This document establishes policies and procedures for handling all cash activities at the University of Houston, including cash acceptance, the deposit of cash, and cash fund maintenance.

II. DEFINITION OF CASH

Cash is U. S. currency (dollars and coins); personal, business, bank, and cashier’s checks; money orders; travelers’ checks; or foreign drafts (but not foreign currency).

III. POLICY STATEMENT

Employees handling cash are subject to all provisions outlined herein based on MAPP 05.01.01 – Cash Handling. University positions with cash handling or fund custodial responsibilities are designated as security sensitive.

Cash is not to be accepted or disbursed by University employees unless that employee has been authorized by the College/Division Business Administrator to handle cash for a specified purpose. All employees authorized to handle cash must be certified annually. This certification is done by completing the online training for Cash Handling. Employees can register for this course at the following website, <http://www.uh.edu/adminservices/training/financeonline.htm>.

When a University employee receives cash, it is to be deposited promptly into the appropriate authorized University cost center. Retention of cash received from outside sources for use as petty cash or for making change is prohibited. Use of University cash funds or cash receipts for cashing checks is prohibited.

Procedures for the handling of cash receipts are designed to provide accountability for monies received in accordance with accepted standards of internal controls. All employees of the College/Division are responsible for complying with the policies and procedures described herein. Failure to adhere to these policies and procedures may result in disciplinary action being taken against the employee.

All employees have an obligation to report any suspected theft, fraud, embezzlement, or any other irregularity causing a loss of cash in accordance with SAM 01.C.04, Reporting/Investigating Fraudulent Acts. Employees who are aware of criminal activity and fail to report such may be subject to disciplinary action. Employees are required to cooperate with any police or audit investigation, and they may be requested to keep their knowledge of the investigation confidential.

IV. RECEIVING CASH

- A. Each time cash is received, an acceptable form of receipt must be used. An acceptable receipt may be:
 - 1. Uniquely and consecutively pre-numbered receipts, with a duplicate copy maintained as a cash receipts log
 - 2. Dated log

- B. Acceptable forms of Payment are
 - 1. Currency – Departments are encouraged to accept payments only in US funds
 - 2. Checks and Money Orders
 - a. Must be made payable to the “University of Houston”
 - b. Must be restrictively endorsed “For Deposit Only” immediately upon receipt
 - c. Must include cost center for deposit as part of the restrictive endorsement

- C. Safeguarding Cash – Checks, & currency, must be physically safeguarded and securely stored until delivered to Student Financial Services (SFS) or Donor and Alumni Records.
 - 1. Lock box in locked filing cabinets, locked drawers

V. DEPOSITING CASH

- A. Cash received must be deposited timely.
 - 1. All monies received with a cumulative total of \$100 or more must be deposited with SFS within one working day of receipt. SFS shall, in turn, deposit funds with the University bank within one working day of receipt.
 - 2. Amounts received with a cumulative total less than \$100 must be deposited with SFS within five working days of receipt prior to deposit

- B. Cash receipts are deposited as follows:
 - 1. Cash received is placed in authorized bank bags obtained from SFS.
 - 2. Deposits are transported from the Department by UH Department of Public Safety (DPS). Departments should contact UH DPS to make arrangements to transfer the deposit after completing the journal entry.
 - 3. Cash deposits must be prepared and reconciled by two authorized employees. One employee prepares the deposit and the other employee verifies the deposit (of which one must be an employee of the department making the deposit).
 - 4. Both employee must:
 - i. Independently count the funds before they are placed into the deposit bag; and
 - ii. Complete and sign the Cash Deposit Summary
 - 5. Departments will complete and submit a journal entry through workflow via path 2, Department ->SFS->General Accounting.

- i. A copy of the journal coversheet is attached to the deposit bag which will be transported to SFS by UH DPS.
- 6. Cash deposits should never be sent through the mail.

C. Deposit Procedures for Off- Site Locations
N/A

VI. RETAINING DEPOSIT DOCUMENTS

- A. Departments must retain copies of reconciled checks and receipts with departmental records for six months for audit purposes.
- B. Departmental Cost Center transactions shall be verified monthly. All discrepancies must be cleared when identified and department financial records corrected in accordance with UH System Administrative Memorandum 03.F.04, Cash Handling.

VII. OVERAGES AND SHORTAGES
N/A

VIII. OTHER CASH PROCEDURES

- A. Found monies are immediately turned over to the UH DPS.
- B. Unidentified deposits (those where the purpose and recipient of the payment cannot be identified, including gifts) are referred to the Treasurer's Office for research and deposit to the University's depository institution and recording in the unidentified receipts cost center. The Treasurer's Office and the submitting department will research the source of funds to determine the appropriate cost center for the ultimate receipt of funds.

IX. GIFTS

Endowed gifts (check, cash, negotiable stocks or bonds) received by a department should be forwarded to the Treasurer's Office with a Gift Transmittal Form (GTF) and other documentation within one working day of receipts. The GTF must include a certifying signature which indicates the approval of the funds deposited into a cost center that has been established with any applicable funding source restrictions. The Treasurer's Office will deposit the gift and forward the GTF and documentation to Donor and Alumni Records.

Non-Endowed gifts are sent to Donor & Alumni Records with a Gift Transmittal Form (GTF) and other documentation, including one check copy, within one working day of receipt. The GTF must include a certifying signature indicating that the funds are being deposited into a cost center in accordance with any applicable funding source restrictions.

Gift Transmittal Forms are found at <http://www.uh.edu/finance/pages/forms.htm>.

X. PETTY CASH AND CHANGE FUNDS
N/A

XI. REQUEST TO ESTABLISH OR MODIFY A PETTY CASH OR CHANGE FUND
N/A

XII.

REPLENISHMENT OF PETTY CASH FUND

XIII. ANNUAL REVIEW AND REAUTHORIZATION OF PETTY CASH AND CHANGE FUNDS

N/A

XIV. CLOSING A DEPARTMENTAL PETTY CASH OR CHANGE FUND

N/A