

OVERVIEW

In accordance with MAPP 05.01.01, Cash Handling is all cash transactions involving the University of Houston, and its colleges. Departments are subject to all applicable state laws and regulations and the governance of the University of Houston 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. Employees of the University of Houston have accountability to the governance of the University safe cash handling practices. Procedures are designed to provide transparent and safe processing 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 as described below.

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).

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 employee(s) unless that employee(s) are 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>.

Procedure - Department of Psychology

The Department of Psychology receives cash for clinic services and graduate applications fees. In addition, the department provides cash advance for research projects in the department. Following is a detailed explanation of the department's cash handling procedures in all areas.

Clinic

For the clinic, the client submits payment to a clinic therapist. The therapist gives the client a pre-numbered multi-carbon receipt. The clinic program manager Amy Petesch prepares the general cash receipt and submits it to the department fund custodian, Sharon

Terrell, Financial Coordinator. The fund custodian will make copies of the checks; attach a running tape of cash received, and a copy of the receipt. The checks are restrictively endorsed "For Deposit Only, University of Houston, Department of Psychology." Ms. Terrell then places the general cash receipt and the cash in a numbered sealed bank bag. She also fills out a money transmittal form to record the number of the bank bag and the date that the cash was received. The money transmittal form is attached to the department's copy of the general cash receipt journal. Ms. Terrell then calls the UH Police to request a money pickup. The police officer will deposit the funds in the Bursar's office.

Academic Office

Payment for graduate application fees are received by mail. The academic office staff prepares the general cash receipt and submits it to the department fund custodian. The fund custodian will follow the same procedures/processes as stated in the above section.

Safekeeping

If the fund custodian receives cash after 3 P.M., the cash is locked in a safe in room 128F. (There is no money pick-up after 1:30 P.M.)

Recording of Revenue

The fund custodian keeps an electronic receipt log of all cash received in the department.

Review and Reconciliation

The Department Business Administrator (Olga Litvinova) conducts the reconciliation of all cash received for the clinic account and the graduate application fee account on a monthly basis.

Cash Advance Procedures:

General Process

- At least 10 days prior to an assessment period, a "Cash Advance" form application is submitted for approval by the Exec Dir., College/Division Business Op, Dean Liberal Arts & Social Sciences. Once approved, a purchase voucher indicating the number and total amount of payments anticipated for a specified assessment period is prepared by the department. The voucher is submitted to Student Financial Services (SFS), who will fill in the appropriate SFS general ledger account number. Special handling will be noted on the face of the voucher. The department address will be listed as the vendor or custodian address.
- Based on the voucher amount, a cash advance check, payable to the fund custodian, is issued by Student Financial Services. The "custodial check" is sent to the department office. The fund custodian records the check number, check amount, and other pertinent information on an internal document called the 'Operational Cash Advance Voucher Closure Form' (see Forms and Record keeping section). When the fund custodian cashes

the check, the department will call UH Police and request a money escort who will walk with the fund custodian to the bank and back to the department.

- Upon completion of assessments a list of all subject payments and a copy of the Operational Cash Advance Voucher Closure Form is uploaded to the closeout Journal which is entered into workflow, charging the project supported, and crediting Accounts Payable “Cash Advance Cost Center”. Any unused cash is then returned to SFS by a UH police officer.
- This cycle would be repeated throughout the duration of the project. Again, because of the nature of the subject population, the “voucher assessment period” may be defined as two week to three month periods. Operational cash advance amounts may range from \$1,000 to \$5,000 per request depending upon assessment opportunities.

Fund Custodian Designation

The fund custodian for the department is Sharon Terrell the Financial Coordinator. Ms. Terrell is responsible for the safekeeping of the funds and ensuring that the moneys are distributed to the research project team members. As fund custodian, she ensures that funds are expended and accounted for in accordance with MAPP 5.01.02. Undistributed funds are kept in a locked safe in room 128F Heyne building. Room 128F is within a suite that is locked when none-attended. In addition, room 128F is locked after hours. There are only four individuals in the department who have key access to this room. Access to the safe is restricted to the following office employees: Olga Litvinova, Sharon Terrell and Dr. Suzanne Kieffer, Director of Admin & Academic Affairs.

Segregation of Duties

EXPENDITURE DOCUMENT PREPARATION, INTERNAL RECORD KEEPING

All voucher preparations for cash advances, subject payment disbursements, and other related documents are prepared by the financial coordinator, Ms. Sharon Terrell. As fund custodian, Ms. Terrell also issues currency to project team members as requested. The fund custodian maintains records of disbursements from the check using the ‘Check Disbursement Log’. The log contains information regarding who, when, and how much currency was issued. Ms. Terrell conducts overage/shortage audits a minimum of once a month.

PARTICIPANT PAYMENTS

Prior to disbursement of cash payments to research participants, project researchers collect subject information as required in MAPP 5.02.04. It is the responsibility of the researcher(s) to collect the required information on the ‘Payee Certification Form’, ensure the safekeeping of currency released to them by Ms. Terrell for disbursement to subjects, the ‘Payee Certification Form’ is then returned to the financial coordinator by

the end of each assessment period. In addition, the project researchers issue a pre-numbered receipt to the payee. A copy of the receipt is attached to the 'Payee Certification Form'.

REVIEW AND RECONCILIATION

Olga Litvinova oversees and reviews the preparation of cash advances, subject payment disbursements records, and other related document preparation. Ms. Litvinova conducts a line-by-line reconciliation of the subject payment records to PeopleSoft, and reconciles the fund expenditures on a monthly basis. Records used to reconcile to the PeopleSoft records include the receipt, 'Check Disbursement Log', 'Operational Cash Advance Voucher Closure Form', 'Payee Certification Form', 'Human Subject Payment Record' and the department's internal tracking system.

As certifying agent for the department, the department business administrator ensures that any expenditure are made for the purpose for which the funds were budgeted, that the procurement of all cash advances and all corresponding documents are in accordance with applicable guidelines, that the funds required are available, and that fund reconciliation is conducted on a monthly basis.

Forms and Record Keeping

Attached are four documents developed for of this project.

FORM/RECORD NAME	DESCRIPTION
(A.) Check Disbursement Log	This log is kept and maintained by the fund custodian and is used to record currency disbursements to the researchers.
(B.) Payee Certification Form	This form is used by the researcher to acquire necessary subject data information and payment receipt acknowledgment. These forms are returned to the department with any remaining currency after a determined number of assessments have been conducted, and no less than once every three months. Information from this form is logged into a 'Human Subjects Payment Record' spreadsheet. The 'Payee Certification Form(s)' and any remaining currency is returned to Student Financial Services.
(C.) Receipt	Pre-numbered multi-carbon receipts will be used by the project researchers. Receipts are issued to the payees. A copy of the receipt is attached to the 'Payee Certification Form'.

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| (D.) Human Subjects Payment Record | This is for internal record keeping control. The spreadsheet can be sorted by name or social security number. If a subject should receive \$600 in a calendar year, our department will notify Finance and Accounting. It also provides additional back-up documentation. |
| (E.) Operational Cash Advance Voucher Closure Form | This form will be used to ensure that the total subject payment disbursement plus any remaining currency equal the amount of the check issued to the fund custodian. This form will be attached to the 'Payee Certification Form(s)' and delivered to Student Financial Services with any remaining currency. |
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The procedures and forms described above will be audited at least annually by the department. When required, they will be amended to reflect institutional and/or research guidelines or needs.

Copies of MAPP 5.01.02 - Operational Cash Advances and MAPP 5.02.04 - Payments to Human Subjects and Participants in Sponsored Projects, MAPP 5.01.01 - Petty Cash, Cash Funds, and Cash Handling were provided to project team members.