

UH/Student Business Services

Policies and Procedures

CASH HANDLING

Student Business Services (SBS) is the University of Houston department responsible for revenue collection of approved tuition, fees, and other centrally billed charges through the student billing system. In addition to their primary responsibilities, SBS will accept all cash deposits prepared by University departments and will use an armored transport service to deliver University deposits to the bank in tamper proof bank bags. SBS will be the Intermediate Approver for cash deposits submitted to GL journal workflow.

Student Business Services complies with all general requirements of MAPP 05.01.01 – Cash Handling and MAPP 05.01.02 – Operational Cash Advances and good business practices in all cash operations.

All SBS positions handling cash or credit cards will be "security sensitive" and subject to criminal history background checks. All employees handling cash will attend Cash Handling training, will be familiar with University and departmental cash handling policies and procedures, and will sign the Acknowledgment of Receipt of Funds and/or Cash Policies and Procedures.

Definitions

Cash: For the purposes of this document: U. S. currency (dollars and coins); personal, business, bank, and cashier's checks; money orders; travelers' checks; or foreign drafts (but not foreign currency).

Certifying signature: Signature of authorized person certifying that funds being deposited are properly classified, recorded into the proper cost center, and, if restricted, deposited into a restricted cost center in accordance with any funding source restrictions.

Change fund: A fund established for the purpose of supporting a sales or service operation. The change fund is used to make change for direct sales of goods or services or to support indirect services (such as copy card machines and bill changers).

Currency: For the purposes of this document, U. S. money: dollars and coins.

Fund custodian: The departmental employee specifically authorized to manage monies in a cash fund. The fund custodian is responsible for the fund's safekeeping and ensuring that monies are accounted for in accordance with this document.

Acceptance of Checks as Payment

Checks provided to the University must be made out to "University of Houston."

A valid picture identification such as a driver's license, government picture ID, or passport is required when submitting a payment with a personal check in person. Before payment is accepted, person, the Cashier will verify that the student's account in the system does not have a "Cash only" flag.

All checks will be restrictively endorsed immediately upon receipt with the Cashier's "For deposit only – University of Houston" stamp.

Acceptance of Credit or Debit Cards as Payment

Students are encouraged to pay their tuition and fees through the online system site using credit or debit cards or E Check.

Cash and Credit Card Handling and Deposits

Students are encouraged to pay tuition and fees online if possible. All cash and paper check payments accepted by SBS are manually entered into the student PeopleSoft account.

As part of the Cashiers' daily work, copies of students' account summaries, billing stubs, or other related payment documents are maintained, noting the check number, the type and amount of payment, and the Cashier's initials.

Cash and credit card receipts accepted in payment are safeguarded at all times during the work day in locked cash drawer, a safe, or the vault. At the end of each day, each Cashier balances their cash till in the presence of the Cash Control Supervisor, Settlement Clerk or Vault Clerk. The funds will be placed in a tamperproof bank bag and signed by both persons who witnessed the cash count. Funds are then delivered to the Vault Clerk (Financial Coordinator) who secures them in the vault until the next business day.

Checks, currency, and credit card receipts are balanced daily by the Cashiers against transaction documents. Cash receipts are verified by the Cash Control Supervisor, and daily receipts are re-reconciled by the Settlement Clerk.

Following settlement, the Settlement Clerk prepares the deposit of monies for transmittal by the armored courier to the bank.

The following procedures are to be followed for the receipt of cash from financial institutions (see reconciliations below):

1. All currency will be verified upon receipt.
2. All bags will be opened with at least two staff members present to certify all funds are accounted for.
3. All currency will be counted through the cash counter. Once verified as accurate, the output tape will be initialed by both persons witnessing the count. All cash will be re-

strapped and initialed by both persons as it is processed through the counting machine. All currency and the running tape will then be sealed in a new tamperproof bank bag with both parties who verified the count present.

Payments received for areas outside of SBS will be forwarded to the appropriate department. Those that cannot be identified will be referred to the Treasurer's Office.

Customers with "Cash Only" Status – Master Check List

When two checks from an individual are returned unpaid by the bank, SBS will automatically place a service indicator on the account. Those persons whose accounts are flagged must provide payment to the university by currency, money order, cashier's check, travelers check, or credit card until he/she is eligible for and petitions successfully for the return of check-writing privileges.

Petition process: No earlier than six months after the date of the second returned check, a check writer may petition the SBS Cashiers Supervisor in writing for removal of his/her name from "Cash only" status, providing all returned checks have been redeemed.

Returned checks

When a check that has been accepted and deposited through SBS is returned unpaid by the bank, SBS will:

- Post the returned payment to the check writer's account in the student system.
- Charge the appropriate SBS cost center for items posted to the check writer's account.
- Notify the check writer by email of the returned check.
- Charge the returned check back to the cost center to which the check was deposited.
- Notify other University department of unpaid checks from their area when the unpaid check has been charged to the departmental cost center.
- Return the bank copy of the unpaid check to the other cash handling department.

Reconciliation

The Settlement Clerk reconciles the monies received and disbursed with the Cashiers' daily work documentation daily. The Financial Coordinator and Cash Control Supervisor will reconcile the vault cash daily in the morning and evening.

The SBS administrative office will reconcile the cash clearing account with the student system and the PeopleSoft financial system on a monthly basis. Discrepancies are researched and cleared as soon as identified and financial records corrected.

Acceptance and Transmittal of Departmental Cash Deposits

Departments accepting cash must follow the guidelines established by the division of Finance and Administration for handling deposits.

SBS will provide tamperproof bank bags to departments for making deposits, as well as written procedures for making deposits and will participate in training as needed.

Units outside the Welcome Center Building arrange for the UH Police Department to transmit cash deposits to the SBS Vault Clerk. Departmental deposits are logged by SBS staff in preparation for armored carrier pick-up. In no event are the departmental deposit bags opened by SBS staff. Journal entries prepared by departmental staff are approved by SBS prior to deposit submission to the bank.

Departmental deposits received by UH Police Department that are missing documentation needed for processing in the student system will be rejected and returned to the department by UHPD.

Responsibilities of the Fund Custodian

The Financial Coordinator and Cash Control Supervisor serve as fund custodian for the SBS cash fund. The fund custodian is responsible for:

- Providing safe and secure storage of the cash.
- All cash handling must conform to MAPP 5.01.01.
- Unauthorized personnel are not to be allowed in the vault area.
- Only one authorized person will be allowed in the vault area at a time.
- The vault area will not be left unattended at any time during normal business hours.
- Monetary assets are to be secured at all times.
- All monetary assets must be stored in the vault when not in use and at the end of the day.
- Maintaining proper documentation.
- Notifying the Treasurer through the Bursar of changes in custodian, account number, or changes to the physical security of the monies.
- Ensuring that cash handled by other employees involved in cash handling comply with this policy.
- Making prior arrangements for a temporary custodian during any absences.
- Reporting theft of funds or overages/shortages in accordance with this policy.
- Ensuring that all transactions are for the purposes for which the fund was authorized.
- Replenishing the petty cash fund on or before the last day of each month and at the end of the fiscal year.
- Ensuring that the fund is balanced each day.
- All security devices (e.g. security cameras, locks, panic alarms, etc.) must be inspected periodically to ensure they are functioning properly.
- Work area and vault to remain neat and clean.

Overages and Shortages

It is the responsibility of the fund custodian to ensure that the cash and receipts are balanced. The vault is balanced twice each business day and certified by two individuals authorized to work in the vault area.

The Settlement Clerk posts overages/shortages from the cashiers to PeopleSoft daily. The Vault Clerk posts any overages or shortages in the vault to PeopleSoft daily. As the primary cash

handling operation for the University, Student Business Services has an approved over/short level of \$100.

- Shortages or overages of less than \$100 will be charged on journals against or credited to cost center 3057/H0167/I0391 using the cash over/short account (50015).
- Individual shortages or overages of \$100 or more will be reported immediately to the Bursar who will report to General Accounting (Incident Report). Initial notification will be followed up with a written incident report. These overages or shortages are also recorded to the SBS cost center using account 50015.
- Overages/shortages will be recorded on the Overage/Shortage Report, Attachment C, or comparable cumulative overage/shortage log. When the annual cumulative overages/shortages exceed \$40 absolute total, the Treasurer will be contacted immediately. (Annual is calculated as the University fiscal year.)

The Financial Coordinator and Cash Control Supervisor approves and submits an annual Acknowledgment of Receipt of Funds and Cash Policies and Procedures as requested by Campus Accounting Services, as required by MAPP 5.01.01.

Campus Accounting Services will audit the SBS cash fund at the end of each fiscal year.

Security of SBS Cash Fund

The SBS vault cash is subject to surprise audits by the Associate Director or Director of Student Business Services at least monthly. This will include all currency in sealed tamperproof bags, strapped or loose. Any strapped currency that is broken for counting and subsequently re-strapped must be initialed and dated by the same persons that verified the count.

All security devices (cameras, locks, panic buttons and alarms) will be verified as functioning at least monthly by senior management in SBS.

Departmental Cash Funds

Certain University departments are authorized to have petty cash funds or change funds. Departments must allow sufficient lead time (3 days) in order to process necessary paperwork and to ensure sufficient vault cash is available for all funding requests.

Change funds are established for regular departmental cash operations. Upon receipt of an approved SC Voucher, the Bursar or Associate Director will place an order with bank to fund the cash advance request.

Occasionally, a cash fund for a short-term operation may be required. Cash funds must be approved by the Treasurer's Office. Upon approval the Treasurer's Office, the SBS Vault Clerk will arrange to furnish the cash requested, taking the following issues into consideration:

- Sufficient vault cash is available to grant the request.

- The request is accompanied by an approved SC voucher authorized by the departmental custodian.

Closing a Departmental Cash Fund

When a department determines that a departmental cash fund is no longer required, the Vault Clerk and the Financial Coordinator and Cash Control Supervisor will work with department personnel to ensure that the remaining cash is deposited to the appropriate departmental account and all paperwork related to closing the fund is handled in accordance with MAPP 5.01.01 and University guidelines.

Compliance with Cash Handling Policies and Procedure

Any SBS employee who does not comply with the responsibilities outlines in this policy will be subject to disciplinary action up to and including termination and possible criminal charges.

Suspicious Currency Transactions and Other Suspected Irregularities in Cash Handling

An SBS employee who is aware of or suspects any irregularity in the handling of University cash shall report that activity to his/her supervisor. The supervisor shall investigate the suspected irregularity and if there is reason to believe that a problem exists, shall report the situation to the Bursar. The Bursar will investigate and report the irregularity to the appropriate University official(s) in accordance with UH System Administrative Memorandum 01.C.04 – Reporting/ Investigating Fraudulent Acts.

University Policies Related to Cash Handling

MAPP 05.01.01	Cash Handling
MAPP 05.01.02	Operational Cash Advances
SAM 01.C.04	Reporting/Investigating Fraudulent Acts
SAM 03.A.06	Establishment, Maintenance, and Discontinuance of Credit Card Services
SAM 03.C.07	Petty Cash Procedures
SAM 03.F.01	Gift Acceptance
SAM 03.F.04	Cash Handling