
UNIVERSITY OF HOUSTON

COLLEGE OF PHARMACY Updated FY 2016

Receipts, Custody and Deposit of University of Houston Funds

I. GENERAL STATEMENT AND DEFINITIONS:

The College of Pharmacy is a substantial sized college where procedures for the handling of cash are in place to ensure accountability for all funds. Every cost center in the college is reconciled on a monthly basis in alignment with generally accepted MAPP policy rules and internal controls. The procedures are in place to provide staff with guidelines by which to operate and ensure fee revenues are appropriately categorized. The college's Cash Handling policy and Baseline Standards policy may also be found on University of Houston's Finance web site at: <http://www.uh.edu/af/survival/Finance/CashHandling12.htm>

DEFINITION OF CASH: In accordance with MAPP 05.01.01, the term 'cash' includes all forms of payment, including US and foreign currency (dollars and coins), checks, travelers' checks, money orders, credit card and debit card charges, and wire transfers. In short, anything that may be presented to a bank for payment. *Note:* While some forms of cash are obviously more sensitive to improper handling, it is important to keep in mind that the policy does not make a distinction when specifying the requirements for its processing with the exception of foreign drafts.

ENVIRONMENT FOR THEFT: When three elements are present, theft is imminent: A need, an opportunity, and a character flaw. When a good employee is confronted with a stressful financial or personal situation and control over cash is poor, the risk of theft is high. Employees have an obligation to report any suspected theft, fraud, embezzlement, or any other irregularity causing a loss of cash. Employees who are aware of criminal activity and fail to report it 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. The College of Pharmacy has ensured that the proper separation of duties exists. The person who has custody of funds is not the same person who has approval or reconciliation responsibility. All cash and cash receipts should be physically safeguarded in a secured area and remain locked until deposited.

AUTHORITY TO RECEIVE PAYMENTS: An employee authorized by the business manager should be the only person accepting cash. A department must begin its compliance with the policy before a payment is presented, by knowing which individuals in the department are authorized to handle cash and for what purpose. Authorization to handle cash is documented when the prospective custodian reviews and signs the "Acknowledgment of Receipt of Funds and Cash Policies and Procedures." This form is Addendum A of the Cash Handling policy and is updated yearly. The original document is filed in the Treasurer's Office; copies are kept in General Accounting and with the department's financial records.

ACCEPTING CHECKS/CREDIT CARDS: All checks or other negotiable currency should be made payable to the University of Houston and must be restrictedly endorsed "For Deposit Only" upon receipt by a department. A credit card should only be accepted after the cardholder has been identified by picture identification to match the name on the credit card. Always check the back of the card for proper endorsement. If there is no endorsement, the card is not valid. Always obtain the cardholder's signature on the transaction receipt. The UH has specific procedures addressing credit card transactions which are covered in a separate workshop.

I. GUIDELINES FOR RECEIVING OF MONIES

As a rule, all cash transactions should be routed to Central Business office. This would include donations, gifts or payments.

- a) Most of payments now are done through our online payment site via credit card. No sensitive data/information is saved on UH computers to be PCI compliance.
- b) All processes for cash handling will adhere to University of Houston Policy and Procedures, which are outlined in the Cash Handling section of the MAPP policy 5.01.01 at <http://www.uh.edu/mapp/05/050101.htm> and Operational Cash Advances section of the MAPP policy 5.01.02 at <http://www.uh.edu/mapp/05/050101.htm>.
- c) The following responsibilities and duties are mutually exclusive and are not to be performed by the same employee in the College of Pharmacy:
 - a. Opening the mail
 - b. Preparing cash deposits.
 - c. Reconciling accounting for cost center activity.

II. PROCEDURE FOR RECEIPTS BY MAIL

- a) All cash received by CBO is logged to the cost center log and verified monthly by the Financial Analyst. Discrepancies between the log and the accounts must be investigated and resolved as soon as possible.
- b) As soon as payments are received through the mail, CBO prepare the deposit(s).
- c) The receiver of funds will restrictively endorse all checks for "Deposit Only" and enter the information on the cost center log.
- d) All monies received will be kept in a locked safe, drawer or filing cabinet until transported to the cashier office by UH Police Department.
- e) CBO uploads each day's journal receipts to PS workflow for approval, within a 24-hour timeframe. The certifying signature will approve all deposits for processing immediately. All General Cash Receipts are deposited using a check scanner. All Gift checks are deposited using a check scanner and Gift Transmittals with back up is emailed to Gifts1@central.uh.edu . Endowment checks should be delivered to the Cashier's Office via UH Police Dept.
- f) After the above has been completed, funds received must be deposited in accordance with cash deposit procedures within one working day of receipt.

III. PROCEDURES FOR OTHER TYPES OF FUNDS RECEIVED

- a) There may be occasions when donors will visit the College and express a desire to give money. If this should occur, reasonableness and/or courtesy dictate that a check may be accepted without a receipt being issued immediately. The check should be treated as a "mail" receipt, restrictively endorsed for "Deposit Only" and entered in the cost center log. Currency should never be accepted without immediate issuance of a receipt.

HOW TO PREPARE THE DEPOSIT ONLY **USE WHEN SCANNER IS NOT WORKING**

A summary of these procedures is listed below:

1. Cash handlers must be authorized and have completed training.
2. Receipt format must be allowable under MAPP 05.01.01 (receipt formats are enumerated in the “Departmental Cash Handling Guidelines” Addendum at <http://www.uh.edu/finance/pages/References.htm>).
3. Checks must be payable to “University of Houston”.
4. Checks must be endorsed immediately upon receipt (or when drawers are balanced for the day) using a stamp ordered from the Treasurer’s Office.
5. Deposits must be made within 1 working day of receipt if \$100 or more; within 5 working days if less.
6. Cash and Checks can be deposited using the same tamper-proof bag.
 - a. Bags must be see through, and ordered from the Cashier’s Office
 - b. The only items that can be placed in the bag are:
 - i. Small amounts of coin (rolled if it is enough)
 - ii. Cash
 - iii. Checks (all remittance advices and attachments must be removed)
 - iv. One original Deposit Ticket
 - c. All checks must be listed individually on Deposit Tickets
 - d. Information on the deposit, including: amount of coin, cash, and checks; the date the deposit was prepared; the Department is listed on the deposit bag.
 - e. The confirmation strip from the deposit bag is retained with other deposit documentation.
7. Cash Deposit Form must be completed.
8. Deposit documentation attached to journals includes:
 - f. A scanned copy of the deposit ticket
 - g. A scanned copy of the Cash Deposit Form
9. Journal must be submitted via Workflow Path 2 (Department/College/Division > Student Financial > Accounting), and approved through the Department Approver. The journal should be paper clipped to the outside of the deposit bag. UHPD will not pick up deposits without the journal showing workflow approval level 2.
10. Request for pick-up by the UHPD are done via their new web-request page at <http://uh.edu/police/transfers.html>
11. Only one Money Transmittal Form can be used for each deposit bag. The UHPD will not pick up deposits where more than one bag is listed per Money Transmittal Form.
12. Personnel who have difficulty with new procedures may be required to retake cash handling training.

Please do not staple individual deposits or credit card deposits together. Use a clip or a rubber band instead.

IV. GIFT TRANSMITTALS

The GTF is a document that lists pertinent gift processing information about a donor and gift such as donor name, purpose of the gift, account into which the gift will be deposited, etc. Departments must complete a GTF when a gift is received except when the gift is accompanied by an official response device (such as a return card for the annual fund) that contains the needed information. The GTF should also be used to report pledges not accompanied by an official pledge card. Please note that new appeal codes should be determined prior to solicitations and can be obtained from Institutional Advancement.

All gifts are to be routed to the Development Officer to complete Gift Transmittal according to University of Houston guidelines and hand delivered to the CBO office.

CBO office will enter the following information on the cost center log.

- a. Name/Customer Name (Name of Remitter)
- b. Date
- c. Amount Received
- d. All checks are scanned for deposit.
- e. Prepare a journal
- f. Email scanned deposit, journal and back to Gifts1@central.uh.edu

V. UH FOUNDATION GUIDELINES

1. All cash receipts for deposit to UH Foundation will be submitted to the Dean's Office.
2. Dean's Office will prepare a deposit memo to UH Foundation.
 - a. Name/Customer Name (Name of Remitter)
 - b. Purpose
 - c. Indicate type of payment-Check, Cash or Credit Card
 - d. Amount Received
 - e. Cost Center Name and Values to be credited
 - f. Account credited
3. NOTE: UH Foundation will not accept cash; therefore all monies must be in the form of a check, cashier check or money order. All checks are to be restrictively endorsed for "Deposit Only".
4. For multiple deposit include a spreadsheet that details each amount and the type of deposit, i.e., donations, annual dues, account etc., and a cover memo addressed to the UH Foundation is necessary.
5. The Director of Business Operation reviews the memo, supporting documents and approves.
6. The deposit should then be mailed to the UH Foundation Office.

VI. Credit Card Procedure

The College of Pharmacy has centralized most cash handling for the college through central business office and using the online payment to accept credit card payments and minimizing checks and cash.

College of Pharmacy accepts credit cards for payment of fees, and service. Each transaction is subject to a per item fees charged, by AMEX, Discover, or Visa and MasterCard. AMEX settles sales net of fees. General Accounting will be responsible for booking Commission/Fee associated with AMEX, Discover, Visa, and MasterCard for our department to cost centers designated by College of Pharmacy.

Credit Card Deposit Journal Instructions

Credit card sales are recorded as follows:

- 1) One Credit card bank line for each batch settlement/sale report.
- 2) Credit card bank lines will not be separated by card type; the same line will be used for all cards transmitted in the same batch.
- 3) Credit card bank lines will use the last six numbers of the Bank of America Mastercard/Visa Merchant ID and the date of the batch, in the following format: 159999 09.02.2010.
- 4) Credit Card amounts recorded to the 10512 bank **cannot** be combined with cash amounts recorded to the 10510 bank.
- 5) No need to calculate credit card discounts, any journal for transactions that includes a credit card discount calculation will be denied back to the department.
- 6) Deposits will require copies of settlement or sales reports, cash count sheets if applicable, and deposit slips if applicable.
- 7) Use the appropriate account code to book the revenue. Please refer to the cost centers below for departments using credit card sales.

2078	H0117	D0261	NA	55702	DRUG ANALYSIS
2078	H0118	D0080	NA	53414	PHARMACY CERTIFICATE PROGRAM
2080	H0118	D2790	NA	34455	CSA EDUCATIONAL SUPPORT/IV Cert
2078	H0563	D0039	NA	52660	EXP PROG-CAREER FAIR
2078	H0563	D0080	NA	55476	PHARMACY CERTIFICATE PROGRAM
2170	H0564	D1048	NA	52656	PHARMD APPLICATION FEE
2080	H0564	D0069	NA	53226	PHAR SUMMER CAMP

B. RECONCILIATION

1. The CBO Financial Analyst 2 reconciles the credit card transactions with the PeopleSoft UGLS1074 monthly reports.
2. Any discrepancies are researched and resolved.
3. The Assistant Director of College/Division of Business Operations reviews and approves all monthly reconciliation report

