COLLEGE OF TECHNOLOGY
POLICIES AND PROCEDURES FOR
RECEIPT, CUSTODY, AND DEPOSIT OF UNIVERSITY FUNDS

PURPOSE

Procedures for the handling of cash receipts are designed to provide accountability for monies received in accordance with accepted standards of internal controls.

REFERENCES

MAPP 05.01.01, SAM 03.F.04, Cash Handling Workshop ~ 2002

PROCEDURES

PART I: GENERAL STATEMENT
PART II: PROCESSING CASH RECEIPTS AND REVENUE CLASSIFICATION
PART III: COMPLETING CASH AND CHECK DEPOSITS
PART IV: CREDIT CARD PROCEDURES
PART V: GIFT TRANSMITTAL FORMS
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PART I. GENERAL STATEMENT

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 of Technology are responsible for complying with the policies and procedures described below. Failure to adhere to these policies and procedures may result in disciplinary action being taken against the employee. The charging of fees or agreements to provide services for compensation are prohibited except as outlined in Board of Regents Policy. Compliance with these procedures will protect employees when questions arise and protect the University from criticism by auditors and other reviewing officials. The Office of Student Financial Services is responsible for receiving all University monies after completion of paperwork for reviewing and forwarding on to the University’s Bank. Gift receipts will be sent directly to the Treasurer’s Office.

All 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 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.

PART II. PROCESSING CASH RECEIPTS AND REVENUE CLASSIFICATION

Purpose and Overview

Primary purpose is to review the classification of revenue and other cash receipts, and to provide an understanding of cash handling and deposit document preparation, approval, and processing. Campus policy as stated in MAPP is based on State of Texas statutes,
UHS Board of Regents Policies and Procedures and UHS System Administrative Memorandum. The goal is to provide university personnel with an understanding of the policies and to prepare university personnel so that departments can readily comply with the policy and avoid undue delays and errors in the crediting of receipts to the department cost center and to the university accounting system.

Definition of cash

In accordance with MAPP 5.01.01, the term cash includes all forms of payment that may be received, excluding internal documents such as Service Center Requests and Expenditure Reallocations or Corrections, but including currency (U.S. and foreign), 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. While some forms of cash, such as currency, are obviously more sensitive to improper handling, it is important to keep in mind that the policy does not make a distinction between the various forms of payment when specifying the requirements for its processing.

Authority to receive payments

MAPP 5.01.01 states that cash is not to be accepted or issued by any university employee for any purpose unless that employee has been authorized by the College/Division Administrator for the purpose specified. Individuals authorized to handle cash will have on file in the department a copy of the Request for Establishment or Modification (Addendum A – MAPP 05.01.01). The reason for this prior approval process is to ensure that monies accepted by a department represent payment for what is truly university business, and to safeguard against improper use of university and state resources. A department must begin its compliance with the policy before a payment is presented, by knowing who in the department is authorized to receive payments and for what purpose. Department personnel should not assume that such authorization exists.

Receipt of Cash

A complete description of the steps that are to be followed by the receiving department is provided in the Administrative Procedure section of MAPP 5.01.01. Essentially: A pre-numbered receipt or the use of an alternate receipt process is required each time cash is received. The use of receipts is a critical element of internal control, as well as the resolution of any differences or problems that may arise at a later time with the payer. Any alternate receipt method must be approved by Operational Support or UHS Treasurer’s office. At this time the only acceptable alternates are cash register tapes or a log of pre-numbered event tickets; photocopies of currency are not acceptable receipts.

All checks or other negotiable currency must be restrictively endorsed immediately upon receipt by the department as follows:

FOR DEPOSIT ONLY
UNIVERSITY OF HOUSTON
BusUnit - Fund - Dept - Program - Project - SpeedType - PS Acct
Money Orders and Foreign drafts, which are those items drawn against foreign banks and requiring presentation to that bank for payment must be processed on a separate Journal Entry Form. These items can be identified by the lack of transit coding at the bottom of the check.

Checks received must be verified against the Bad Check Summary in FAFMIS. If an individual appears on the Bad Check Summary only cash can be accepted for payment/reimbursement.

Timely processing of deposits

If the total is greater than $100, then the deposit must be made within one working day. Although not recommended, a department can take up to five days to make a deposit if the total cash received is less than $100. Deposits held in departmental areas must be kept under lock and key. Departments should not hold checks because the proper cost center cannot be identified or has not yet been created, nor should the department deposit the receipt to one departmental cost center for later transfer to the correct cost center. There are University of Houston System and University of Houston clearing cost centers to be used in these cases. Contact the UH System Treasurer’s office for assistance in the use of a clearing cost center.

Transmittal of deposits

Deposits shall be made using authorized bank bags obtained from Student Financial Services. Departments need to make arrangements with the University of Houston Police Department to transmit funds to Student Financial Services.

Gift transmittals are to be hand delivered to the Treasurer’s office.

**UH MAIL IS NOT TO BE USED FOR ANY CASH TRANSMITTAL**

**PART III. COMPLETING CASH AND CHECK DEPOSITS**

**Necessary Items Needed:**

Deposit Slips can be ordered by sending a memo to Treasury at mail code 2009 with the following information:

- How many deposit slips you want to order (100 per book, minimum order 200) – $6.50 each.
- How your department name should appear (attach current deposit ticket if available).
- PS Cost Center and FRS Account number to be charged.
- Your name and telephone number.
Money Transmittal Form and Tamper Resistant Bags are available from Student Financial Services (SFS). SFS can be contacted at x35632. You will need to provide a PS Journal Entry for purchase.

**Steps for Preparing Deposit**

- Count cash and reconcile to cash receipts
- Complete a PS Journal Entry On-Line.
- Enter PS Journal Entry information in a Cash Log
- Prepare original Deposit Slip. Deposit slips **must** include: Department Name – PS Journal Reference Number – Bag Number. This information should be placed on left hand side of deposit slip above the bank routing number.
- Make copies of backup documentation to be submitted with Deposit Slip. Backup documentation **must** include a Deposit Slip taped to a letter size blank sheet of paper. Examples of backup documentation: Copy of Check (Front & Back), Copy of document being reimbursed, Copy of Service Center Invoice, Copy of Graduate Application Fee, and copy of receipt being reimbursed.

**Assembling Deposit**

Items placed in the tamper-proof bag:
- Checks/Cash (secured with paper clip or rubber band) and copy of calculator tape
- Original Deposit Slip

Original – PS Journal Entry On-Line
- Backup Documentation
- One (1) copy of deposit slip taped to letter size paper

Copy of PS Journal Entry On-Line One
- One (1) copy of deposit slip (original size) stapled to copy of JE

**Obtain Certifying Signature**

- Submit Journal along with deposit and backup documentation for certification.
- After receiving copy of certified journal, complete a Money Transmittal Form and submit deposit to 6 E Cullen.
- Cash and Check Deposits must be picked up by UHPD. Call x30600 when completed - give name – location (bldg and room #) and Telephone #
- UHPD will sign Money Transmittal Form and return the top copy.

**Reconciliation**

Cash Journals will be reconciled against entries into PeopleSoft cost centers during the monthly reconciliation process.
PART IV. CREDIT CARD PROCEDURES

All departments that do not have a credit card machine will complete a Journal Entry Request Form (on-line), including a signature of the person responsible for the credit card verifying that this charge is correct, which will be sent to the Treasury Department in order for the transaction to be processed. The Treasury Department will run the credit card numbers through their machine and complete the process of charging the credit card used. General Accounting will verify that the charge has been processed and complete the transaction by processing the journal.

PART V. GIFT TRANSMITTAL FORMS

A gift (check, cash, negotiable stocks or bonds) received by a department should be forwarded through the College of Technology Development Office to the Treasurer’s Office with a Gift Transmittal Form (GTF) and documentation within one working day of receipt. The GTF must include a certifying signature indicating that the funds are being deposited into an account in accordance with any applicable funding source restrictions. The Treasurer’s Office will in turn notify the Development Office of the gift transaction.

PART VI. CASH HANDLING TIPS

- Cash Received Totaling $100.00 or more needs to be deposited within one (1) working day.
- Cash Received Totaling less than $100.00 needs to be deposited within five (5) working days. Authorize a single person to handle cash at any one time.
- Keep cash in a secure area (safe, lock box, locked desk drawer, etc.).
- Use PS “Speed Type” Ensure each journal has its own back-up.
- Attach a deposit slip for each BANK line.
- Attach back-up with amounts supporting each line of the journal.
- Don’t attach two journals to a single deposit slip.
- Don’t attach small pieces of paper – use letter size.
- Don’t attach unnecessary documents to journal – Rule of Thumb – if it’s not worth microfilming, don’t attach to journal.