

UNIVERSITY OF HOUSTON C. T. BAUER COLLEGE OF BUSINESS Policies and Procedures Pertaining to the Receipt, Custody and Deposit of University Funds

I. GENERAL STATEMENT:

Procedures for the handling of cash receipts are designed to provide accountability for moneys received in accordance with accepted standards of internal controls. All employees of the C. T. Bauer College of Business (BCB) 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 with specific knowledge and authorization of the department head, the director of college operations, the Budget Office, and the appropriate vice president. 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 moneys 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.

NOTE: "Cash Receipts" include currency (U.S. and foreign), checks, traveler's checks, money orders, credit card and debit card charges, and wire transfers.

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 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.

II. GUIDELINES FOR RECEIVING MONEYS

- 1 Money transactions are routed to the BCB Business Office, including donations, gifts, transfers from UH Foundations or payments.
- 2 All persons receiving moneys will strictly adhere to University of Houston Policy and Procedures MAPP 5.01.01.
- 3 The following responsibilities and duties are mutually exclusive and are not to be performed by the same employees:
 - Employee A: Opening the mail for checks / swiping a credit card through machine / receiving cash and issuing a receipt. Preparing the cash deposits.
 - Employee B: Review and approval of the cash deposit.
 - Employee C: Logging the cash deposits into BCB's spreadsheet (used as a log).
 - Employee D: Reconciling the PeopleSoft cost center activity to BCB's tracking log
 - All checks must be made payable to the University of Houston.

III. PROCEDURE FOR RECEIVING CASH RECEIPTS

1. Departments/Centers/Institutes receiving moneys will immediately restrictively endorse all

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checks *For Deposit Only* and provide the cost center and account to be credited. A log of all cash receipts must be maintained by each and every department/center/institute receiving moneys to include the following:

Name/Customer Name (Name of Remitter) Purpose Indicate Pay Mode-either "Check," "Credit Card," or "Cash" Amount Received Cost Center Name and 21 or 26 digit number to be credited

1 A Journal Entry will be prepared by the departments and submitted into workflow. JEs will not be accepted if they are not complete, accurate, and accompanied by the Cash Deposit Form for cash and checks or the credit card terminal report (batch summary report printed from credit card terminal at closing).

2 Gifts, if not received in the Development Office, are immediately hand delivered to the appropriate individual in the Development Office. Checks are restrictively endorsed and the appropriate cost center and account to be credited is supplied. A Gift Transmittal is prepared and hand delivered to the appropriate individual in the BCB Business Office.

3 After the above has been completed, any moneys received totaling \$100.00 or greater must be deposited with Student Financial Services in accordance with cash deposit procedures within one working day of receipt. Student Financial Services shall, in turn, deposit funds with the University bank within one working day of receipt. Amounts less than \$100.00 may be held no longer than five (5) working days prior to deposit in a safe or locked drawer.

IV. PROCEDURE FOR OTHER MONEYS RECEIVED

— 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 on the appropriate office log at the first opportunity. Currency is never accepted without immediate issuance of a receipt.

— All gifts are collected at the BCB Development Office. The possible exception to this is when donors send gifts directly to the faculty member or staff member. This procedure will be handled later in the policy under GIFTS.

— V. GUIDELINES FOR DEPOSITING FUNDS

Procedures for Journal Entry.

a. Departments complete Journal Entry according to University of Houston guidelines (see Section VI).

b. Upload back-up documentation to the PeopleSoft journal entry. Retain copies of the backup documentation, which includes copies of checks (which should not include security sensitive information such as routing and account numbers), copies of receipts, cash deposit form, and/or copies of the batch summary report from credit card terminal for 30 days. Scanned copies are acceptable, but any copies kept of checks should have the bank account and routing

number obscured for security reasons.

c. 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. These items can be identified by the lack of transit coding at the bottom of the check.

d. Credit card transactions are sent directly to general accounting.

e. Except for credit card transactions, prepare one legible deposit slip (with a carbon copy) with the Journal number, bag/tag number, and BCB name appearing on the deposit slip. One deposit slip should be locked inside the bag with the money.

h. Arrange all documents for individual deposits in order from top to bottom, secured with a single staple, to be sent to Student Financial Services in the following order:

- One (1) deposit slip
- Copy or duplicate of Journal
- Cash Deposit Form
- Copy of backup documentation attached
- i. Paper clip multiple deposits together for transport by the University Police.
- j. To be kept in BCB Business Office (scanned copy is acceptable):
 - Copy or duplicate of Journal
 - One (1) deposit slip
 - Copies of backup documentation: receipts, cash deposit form, checks (which should not include security sensitive information such as routing and account numbers) or terminal report.

In the event that cash cannot be deposited the same day it is received, the cash will be physically safeguarded in a safe, locked drawer, or locked in a file cabinet until deposited.

VI. Journals are prepared according to the university guidelines

VII. PREPARATION OF GIFT TRANSMITTALS

- 1 All gifts are routed to the BCB Development Office. Gifts that are sent directly to a faculty or staff member are to be given to the BCB Development Office within twenty-four (24) hours of receipt of the gift.
- 2 All checks received are to be stamped *For Deposit Only*. Include one deposit slip with the check to verify the total amount being deposited.
- 3 Complete Gift Transmittal according to University of Houston Guidelines.
- 4 The gift transmittal is logged into the BCB Business Office spreadsheet.
- 5 The gift transmittal is approved with the certifying signature.
- 6 One copy of the Gift Transmittal is retained by the Bauer College Business Office for reconciliation and permanent filing. The BCB Development office retains one copy of the Gift Transmittal.

C. T. BAUER COLLEGE OF BUSINESS Bauer IT Division RECEIPT, CUSTODY AND DEPOSIT OF UNIVERSITY FUNDS This is now applicable only to laser prints

The C. T. Bauer College of Business (BCB) has centralized most cash handling for the College. There are some programs that collect the fees for their area; however, the cash handling procedure is the same. The procedure for handling cash receipts is as follows:

A. CASH RECEIPTS OTHER THAN GIFTS:

- 1 All cash receipts are received by authorized clerical support personnel.
- 2 All checks are restrictively endorsed upon receipt and currency is receipted according to MAPP policy 5.01.01.
- 3 Copies of reconciled cash register activity logs, checks, and individual invoices/ receipts for departmental records are stored for six months for audit purposes. Retained checks should not include security sensitive information such as routing and account numbers.
- 4 The Cash Journal is prepared by the designated and approved support staff employee and routed to the Business Office in person and in workflow
- 5 All cash receipts are entered into the appropriate cash receipt log (see College Cash Handling Policy) and/or spreadsheet by the Asst. Business Administrator. Print credits are also logged into the software program that RICS has created for tracking/reconciling their print credit revenues.
- 6 The Journal is forwarded via workflow to the College Business Administrator for review and signature.
- 7 The Business Office retains a copy of the Journal and back up for reconciliation.
- 8 The deposit is kept in a secure location until it can be transported to Student Financial services via UHPD.

B. RECONCILIATION

- 1 The Financial Analyst 2 in the Business Office reconciles to the PeopleSoft Financial Database monthly.
- 2 Any discrepancies are researched and resolved.
- 3 Review of reconciliation is conducted monthly by the College Business Administrator.

NOTE: The above procedure is a subset of the BCB's full policies and procedures pertaining to the receipt, custody and deposit of University funds. The complete cash handling policy and procedure statement applies to all units within the Bauer College of Business.

C. T. BAUER COLLEGE OF BUSINESS INSTITUTES AND CENTERS RECEIPT, CUSTODY AND DEPOSIT OF UNIVERSITY FUNDS

The C. T. Bauer College of Business has centralized most cash handling for the College. There are some programs that collect the fees for their area; however, the cash handling procedure is the same. The procedure for handling cash receipts is as follows:

A. CASH RECEIPTS OTHER THAN GIFTS:

- 1 All cash receipts are received or opened by authorized department employees.
- 2 All checks are restrictively endorsed upon receipt and currency is receipted according to MAPP policy 5.01.01.
- 3 Copies of reconciled cash register activity logs, checks, and individual invoices/ receipts for departmental records are stored for six months for audit purposes. Retained checks should not include security sensitive information such as routing and account numbers.
- 4 The Cash Journal is prepared by the designated and approved support staff employee and routed to the Business Office in person and in workflow.
- 5 All cash receipts are entered into the appropriate cash receipt log (see College Cash Handling Policy) and/or spreadsheet by the Asst. Business Administrator.
- 6 The Journal is forwarded to the College Business Administrator for review and signature.
- 7 The Business Office retains a copy of the Journal and back up for reconciliation.
- 8 The deposit is kept in a secure location until it can be transported to Student Financial services via UHPD.

B. RECONCILIATION

- 1 The Financial Analyst 2 in the Business Office reconciles to the PeopleSoft Financial Database monthly.
- 2 Any discrepancies are researched and resolved.
- 3 Review of reconciliation is conducted monthly by the College Business Administrator.

NOTE: The above procedure is a subset of the BCB's full policies and procedures pertaining to the receipt, custody and deposit of University funds. The complete cash handling policy and procedure statement applies to all units within the Bauer College of Business.

**C. T. BAUER COLLEGE OF BUSINESS Office of Undergraduate Business Programs; CAP and MBA
Program RECEIPT, CUSTODY AND DEPOSIT OF UNIVERSITY FUNDS**

The C. T. Bauer College of Business has centralized most cash handling for the College. There are some programs that collect the fees for their area; however, the cash handling procedure is the same. The procedure for handling cash receipts is as follows:

A. CASH RECEIPTS OTHER THAN GIFTS:

- 1 All cash receipts are received or opened by authorized department employee.
- 2 All checks are restrictively endorsed upon receipt and currency is receipted according to MAPP policy 5.01.01.
- 3 Copies of reconciled cash register activity logs, checks, and individual invoices/ receipts for departmental records are stored for six months for audit purposes. Retained checks should not include security sensitive information such as routing and account numbers.
- 4 The Cash Journal is prepared by the designated and approved support staff employee and routed to the Business Office in person and in workflow.
- 5 All cash receipts are entered into the appropriate cash receipt log (see College Cash Handling Policy) and/or spreadsheet by the Asst. Business Administrator.
- 6 The Journal is forwarded to the Director of Business Operations for review and signature.
- 7 The Business Office retains a copy of the Journal and back up for reconciliation.
- 8 The deposit is kept in a secure location until it can be transported to Student Financial services via UHPD.

B. RECONCILIATION

- 1 The Financial Analyst 2 in the Business Office reconciles to the PeopleSoft Financial Database monthly.
- 2 Any discrepancies are researched and resolved.
- 3 Review of reconciliation is conducted monthly by the College Business Administrator.

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COLLEGE OF BUSINESS ADMINISTRATION RECEIPT, CUSTODY AND DEPOSIT OF UNIVERSITY FUNDS

**Provisions Exclusive to Graduate & Professional Programs Office and Rockwell Career Center
With special regard to credit card transactions**

The C. T. Bauer College of Business has centralized most cash handling for the College. There are two programs that collect the fees for their area via credit card; however, the cash handling procedure is the same. The procedure for handling cash receipts is as follows:

A. CREDIT CARD MERCHANT PROCEDURES:

- 1 Credit card transactions are treated as cash receipts and subject to the policies and procedures specified in MAPP 5.01.01.
- 2 All credit card sales are conducted by the appropriate individual aware of cash handling procedures and merchant guidelines at the point of sale terminal.
- 3 Copies of reconciled cash register activity logs, checks, and individual invoices/ receipts for departmental records are stored for six months for audit purposes. Retained checks should not include security sensitive information such as routing and account numbers.
- 4 Cash Journals are prepared in accordance to the university policies.
- 5 Master Card / Visa activity and American Express activity are not combined as American Express charges the company's discount per sale and MC/V charges monthly using account 54710. Credit card commission fees are now handled by General Accounting.
- 6 Departments conducting credit card transactions are responsible for maintaining secure and protected records on customers, credit card names and numbers, and any other necessary information in case the need to trace a chargeback arises.
- 7 Each day the prepared Cash Journals will be hand delivered with the back up to the appropriate individual in the CBA Business Office as well as routed electronically through workflow.
- 8 All cash receipts are entered into the appropriate cash receipt log (see College Cash Handling Policy) and/or spreadsheet by the Asst. Business Administrator.
- 9 The Cash Journal is forwarded to the College of Business Administrator for review and signature.
- 10 The Business Office retains a copy of the Cash Journals and back up for reconciliation.
- 11 The deposit is kept in a secure location until it can be transported to Student Financial services via UHPD.

B. RECONCILIATION

- 1 The Financial Analyst 2 in the Business Office reconciles to the PeopleSoft Financial Database monthly.
- 2 Any discrepancies are researched and resolved.
- 3 Review of reconciliation is conducted monthly by the College of Business Administrator.

NOTE: The above procedure is a subset of the BCB's full policies and procedures pertaining to the receipt, custody and deposit of University funds. The complete cash handling policy and procedure statement applies to all units within the Bauer College of Business.

APPROVALS:

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C.T. Bauer College of Business