
UNIVERSITY OF HOUSTON

COLLEGE OF PHARMACY Updated FY 2017

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 sent to the CBO immediately for processing. The UH has specific procedures addressing credit card transactions which are covered later in this document.

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. Payments received through the mail are processed within 1 business day
- c. The receiver of funds will restrictively endorse all checks for “Deposit Only” and enter the information on the cost center log after check is scanned.
- 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 hours after deposit. 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, scanned and deposit and 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

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 after deposit using a stamp ordered from the Treasurer’s Office (except endowment checks).
5. Deposits must be made within 1 working day of receipt if \$100 or more; within 5 working days if less.
6. Process (for all **except** endowment checks):
 - a. Log in to CashPro Online.
 - b. In CashPro Online, navigate to the Remote Deposit Screen (Receipts > Remote Deposit) and select “Create New Deposit”.
 - c. In the Remote Deposit screen, leave Account Group as “College of Pharmacy”
 - d. Select the Account Number based on the following:
 - i. 5644 – UH College of Pharmacy: Non-gifts
 - ii. 5796 – UH Donor and Alumni: Gifts
 - e. Under Number of Items type the amount of checks plus 1 (e.g., for 10 checks type 11).
 - f. Add the total dollar amount and type that in Declared Amount (\$).
 - g. Place checks in the scanner and click “Start Capture”.
 - h. Click on the Receipts tab, then Reports, click Summary of Deposits by Account Report, change Type to .pdf, select the appropriate Account Group and then Create Report
 - i. Create Journal Entry in PeopleSoft
 - i. Record each remote deposit transaction on a separate GL Journal Line with a negative sign (-) in the amount section
 - ii. Create a bank line. This will equal to all checks combined. Use speed type 10000 and account code 10510. In the description use RCD, 6766, 08.15.2016, H0116
 1. RCD = stands for Remote Cash Deposit
 2. 6766 = last four digits of bank account from Summary of Deposits by Account Report
 3. 08.15.2016 = date checks were scanned
 4. H0116 = department ID of department making the deposit
 - j. Deposit documentation attached to journals includes:
 - i. Journal Entry Detail
 - ii. Summary of Deposits by Account Report
 - iii. Cash Deposit Summary Form
 - iv. Additional information regarding check (gifts will require GTF).
 - k. Document each check in File Maker Pro.
7. Endowment checks will be sent to treasury. Requests for pick-up by the UHPD are done via their new web-request page at <http://uh.edu/police/transfers.html>
 - a. 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.
8. 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 deposits 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.

Business Manager will identify and authorize staff will have access to credit card merchant accounts. Authorized staff must complete all credit card trainings before access is granted. Authorization to handle cash is documented when the prospective custodian reviews and signs the “Acknowledgment of Receipt of Funds and Cash Policies and Procedures.”

Email is sent to UH Treasurer by Business Manager to add/delete staff from the authorized list.

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 bank account number and the department completing the transaction in the following format: 345059437888, month/day/year, H0xxx
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 Department Business Administration and/or Director of College/Division of Business Operations reviews and approves all monthly reconciliation report