SECTION 3.2.A Cash Handling Procedures

PURPOSE

The purpose of this cash handling procedure is to assist departments in complying with MAPP and all other applicable university cash handling procedures.

These procedures should be used in conjunction with all University of Houston Policy & Procedures including:

- MAPP Check and Cash Management 5.01
- MAPP Expenditure Management 5.02
- MAPP Billings and Collections 5.03
- MAPP Finance and Accounting - General 5.04
- SAM Petty Cash Procedures 03.A.07
- VPSA Cash Handling Policy

Where there are conflicts between this policy and the official University of Houston Policies (those mentioned above), the University of Houston's Policies take precedence.

Any amounts totaling $100.00 or more must be deposited within one working day. Amounts less than $100.00 may be held no longer than five working days prior to deposit (MAAP 05.01.01, Section VIII, C, #5).

PROCEDURE

Various departments are authorized to collect cash at point of sale and or maintain change fund. The change fund is used to accept payment from clients. A cash custodian must be identified and be responsible for each change fund. The custodian is responsible for daily reconciliation of the change fund. Following are procedures to maintain a change fund, accept payments, and making deposits:

A. When change funds (banks) are to be prepared, the change fund custodian must prepare and count the bank. The cashiers sign for their banks and check for accuracy and acceptance. Weekday banks are obtained from the change fund custodian, while the weekend banks are obtained from the Weekend Manager on duty.

B. Employees acting as Cashier are authorized to accept cash for the sale of goods or service. All checks received must be made payable to the University of Houston. Checks must be endorsed "for Deposit Only" by the cashier upon receipt.
C. A Unique pre-numbered receipt, cash register receipt or computer generated receipt must be completed, dated and issued each time cash is received in person, with duplicate copy maintained as cash receipt log.

D. Change banks are reconciled after each shift. The opening bank and receipts/moneys are separated and dropped in the safe for change fund custodian to tabulate the next workday. Change fund Custodian checks previous days' banks and receipt moneys for accuracy. The UC Financial Accountant prepares the Cash Journal for the UC Business Office Sale. Other departments follow procedure, “E” through “F” below.

E. Other departments will complete five deposit slips for each deposit bag. Each deposit slip must be completed as follows:

1. Initialed by two employees, verifying the correct deposit amount.

2. Two (2) deposit slips are to be included in the deposit bag along with all checks, currency, and coins.

3. A Cash Journal number must be recorded on each deposit slip. Call the UC Business Office to obtain a number for each separate deposit.

3. The money bag number from the money bag must be recorded on each deposit slip.

F. Along with the two completed deposit slips, checks and cash, be sure to place all coins in a sealed envelope and attach a calculator tape initialed by two employees verifying the total amount of all currency and coins in the bag. After all items have been placed into the bag, properly seal the money bag and complete the needed information on the outside of the bag. Finally, paper clip the following information to the money bag when applicable:

1. Two copies of completed spreadsheet/log reflecting daily activity.

2. Two copies of all checks being deposited.

4. Two copies of cashier’s paperwork for each register along with a register journal tape and Z tape as backup for paperwork.

5. Signed credit card receipts and batch transmission reports.

6. Any additional paperwork that would normally be considered backup to the daily deposit and/or the Cash Journal information must be attached.

7. Complete a money transmittal form and contact the police department for delivery to the UC Business Office, Room 274. NOTE: Deposits are due to
the business office by 10 AM of each business day following that day’s business.

SNACK BAR (UC GAMES ROOM)

A. The Snack Bar is reconciled before and after evening operations. The opening bank and receipts/moneys (non-university moneys) are separated and dropped in the Games Room safe.

B. The receipts/moneys (non-university funds) are transferred to Food Contractor’s operations the next morning. Friday, Saturday, and Sundays Food Contractor’s Snack Bar receipts/moneys are all transferred Monday morning.

VIDEO CONTRACT/VENDOR MONEY COLLECTION (UC & UC SATELLITE GAMES ROOM)

A. The University Center Games Room and Texas Music & Amusements (Contractor) empties/collects all moneys from video/pinball machines each Wednesday morning, unless otherwise documented.

B. An employee of the UC Games Room and an employee from Texas Music & Amusements collect all moneys from all machines in marked bags. Meter readings are taken at the time moneys are collected. Each machine is recorded separately and invoiced accordingly on the Collection Report.

C. An employee of the University Center Games Room and an employee from Texas Music and Amusements collect all moneys from all game machines in separate marked bags.

1. Meter readings (usage numbers) are taken at this time and recorded on the collection invoice.

2. The moneys are counted and recorded by an employee of the University Center and an employee of Texas Music & Amusements.

3. Both parties verify the count and each sign the Collection Report. A signed copy of the Collection Report and Moneys are then taken by the employee of Texas Music & Amusements.

4. A check is issued to the University Center Games Room the following Wednesday for the Center's share of the collection. The check is recorded on the copy of the Collection Report and given to the Games Room Supervisor for Deposit (ringing up in the cash register/daily sales).

5. Receipts are counted daily and deposited the following morning with all daily revenues.

6. A copy of the Collection Report is kept in the Games Room's files for tracking of popular machines.
**CASH THROUGH THE MAIL**

Cash or checks received through the mail should be logged in by an employee independent of the person responsible for reconciling the account. Such cash must be deposited within one working day of receipt.

**REMOTE CHANGE FUND - ACCOUNTABILITY AND AUDIT**

*Some departments are allowed to have change funds. The change fund section that follows pertains to those departments.*

Safeguarding cash funds is the responsibility of the individual assigned as the fund custodian and the Manager of the department. The Manager is responsible for communicating policies and procedures on cash funds to the change fund custodian so that procedures are in place to ensure compliance.

A. **Separation of Duties:**
   The Change Fund custodian will not have spending signature authority on the accounts. Separation of duties helps provide a system of checks and balances. Changes to the fund will be reconciled by the Financial Coordinator of the UC Business Office.

B. **Periodic Audits:**
   Remote change funds are subject to review by the Department of Financial Services and audit by the Department of Internal Audit at anytime. The Department head may request a review by Financial Services at any time. When a review or Audit occurs, the fund custodian must verify the identity of the reviewers. All authorized reviewers will carry and present a University of Houston staff ID card. If in doubt as to reviewer’s identity, the fund custodian should contact the Accounting Services Department to verify the identity of auditors by calling Ext. 3-5600.

C. **Annual Re-authorization:**
   The use of a remote change fund must be approved annually. This process will be initiated by the Financial Services Department which will send to each remote change fund custodian an "Acknowledgment of Receipt of Cash Fund." The fund custodian will confirm the amount of the fund, verify custodian ship, obtain authorizing signature, and return the form to the Financial Administrator. The Financial Administrator will review the form, maintain a copy in the UC Business Office and forward the original to Financial Services.

**SHORTAGES AND OVERAGES**
A. An incident report must be prepared for shortages or overages of $10.00 or more. A copy must be sent to the Financial Coordinator and a copy must be attached to the daily cashier sheet submitted with money for deposit.

B. The fund custodian must maintain a log of all overages/shortages, indicating the date and the amount. When the annual cumulative overages/shortages exceed $10.00 total, a copy of the log must be sent to the Financial Coordinator. The Financial Coordinator after consulting with the Financial Administrator, Business Department will report cumulative shortages and overages in excess of $40.00 to Financial Services. Copies of the form may be obtained from the MAPP.

C. A copy of the overages/shortage log must be sent to the Financial Coordinator on a monthly basis regardless of amount.

D. Theft: The Supervisor of the area will report all instances of suspected theft to the Manager, the police, the Financial Coordinator and the Administrator, Business Department. The Administrator, Business Department will report thefts in writing to the Department of Internal Audit.

RECONCILIATION TO PEOPLE SOFT

Deposits are verified against People Soft Financial on a monthly basis in accordance with the applicable MAPP.

Last revised on 8/31/2012

REVIEW AND RESPONSIBILITY
Responsible party: Student Life Policy Team
Review: Every two years on or before August 31st

APPROVAL
Dr. Noel J. Clarke, Director Business Operations