

Cash Handling & Deposit Procedures for Departments



STUDENT ACCOUNT SERVICES

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Revenue Collection and Deposits

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<u>PURPOSE</u>

The purpose of this document is to provide guidelines for departments responsible for the processing and collection of funds on behalf of the university. The Associate Provost for Budget, Planning and Administration and Associate Vice president for Finance the only individual authorized to establish bank accounts or other financial banking relationships on behalf of the university. Departments that have demonstrated a valid business need for receiving funds should seek approval from Finance and Accounting (F&A) prior to initiating such activity. F&A's Student Accounts- Payment Processing (SA- Payment Processing) is responsible for ensuring that departments are authorized to collect funds and that personnel have been properly trained in the receipt and handling of funds. Management in various departments is responsible for implementing proper collection practices and internal controls.

INTRODUCTION

The collection of funds on behalf of the University of Central Florida is an important function and due care must be adhered to at all times with respect to the handling, securing and transporting of funds. Unless otherwise directed by F&A, under no circumstances should university funds be taken off campus.

These procedures are established in conjunction with Procedure BPSF-CA-105, found at <u>http://www.fa.ucf.edu/Guidelines/Cashiers/BPSF-CA-105.pdf</u> The Director of Finance & Accounting, or designee is authorized to update the information as needed. Further, the Director of Finance & Accounting, or designee reserves the right to make interpretations and exceptions to these procedures. Previous practices, customs or habits do not justify deviation from these procedures.

ACCEPTABLE FORMS OF PAYMENT AND DEFINITIONS

Funds--Any form of legal tender accepted by the university.

Cash--Only U.S. government issued currency is accepted. Currency in denominations of \$50 or more must be verified with an approved counterfeit-detecting pen or light. Cash collections must be safe-guarded at all times, using proper internal controls and/or security. Departments unable to do so should not accept cash as a tender type.

Checks--Only personal and business checks or money orders drawn on U.S. banks made payable to the University of Central Florida or an abbreviation or derivative thereof will be accepted or negotiated. Third party checks are generally prohibited and any exception must be approved by the Director of Finance & Accounting or the Senior Associate Controller of Student Accounts. Checks should contain identifying information on the front of the check, such as a personal identification number or notation of purpose for the payment. Checks must immediately be

stamp-endorsed for deposit to the University of Central Florida's General Operating Account. The cashier receiving the check should provide their initials or cashier's assigned number indicating who accepted the payment. In cases where the written amount on the check varies from the numerical values, the written amount should always be accepted and receipted.

Personal Identification Number--Personal identification number may be a UCF employee identification number, UCF assigned temporary identification number, or a government-issued identification number such as the individual taxpayer identification number (ITN), federal employer identification number, or driver's license number. Social security number should never be requested or written down to document personal identification.

Electronic Payments--Departments may accept payments made through an electronic medium such as by credit or debit cards, electronic checks, Automated Clearing House (ACH), and wire transfers. Please refer to the university Electronics Funds Transfer Policy 3-121 for additional information. All electronic payments must be sent directly to the University of Central Florida General Operating Account. Bank account information with respect to acceptance of wire transfers and ACH is available for appropriate purposes by contacting F&A, Financial Reporting and General Accounting. Individuals presenting credit or debit cards must be the card holder. Letters or notes of authorization from the card holder are not acceptable. All electronic payments accepted via the internet or merchant terminal are required to use a university approved merchant system and provider. Please contact the Merchant Services section in F&A to obtain additional information about accepting electronic payments.

APPROVAL TO RECEIVE FUNDS

Due to the size of the university and its multiple departments, it is not possible to establish a centralized location for accepting payments; this has resulted in granting approval to selected departments to receive payments. SA- Payment Processing Office is responsible for working with all such departments, to ensure that university funds are deposited in an accurate and timely manner.

Departments needing to collect or receive funds as part of their departmental operations should seek approval by completing F&A form 41-961 on the F&A website at <u>http://www.studentaccounts.ucf.edu/Forms/Forms.cfm</u> and forwarding it to F&A, Financial Reporting and General Accounting for review and approval. If the request is approved, SA-Payment Processing staff will be available to (a) provide training as needed to departmental personnel in the proper handling of funds, (b) review collection practices, and (c) discuss necessary internal controls.

INTERNAL CONTROLS

Internal controls should be continually monitored and reviewed to ensure that errors are minimized, misappropriations of funds are restricted and confidence is maintained in the cash

collection and reporting system. These controls include but should not be limited to (1) separation of duties (2) accountability, authorization and approval and (3) security of assets.

Separation of Duties:

There should always be a clear separation of duties between the individual receiving the funds and the person depositing and reconciling the accounts. The functions listed below should be assigned to prohibit one employee from performing all associated duties:

- Receiving and opening mail
- > Endorsing checks and monetary instruments
- Preparing and verifying deposits
- Making deposits
- Reconciling deposits to departmental ledgers

In cases where staff limitation prevents the complete separation of all duties, close supervision and monitoring should be undertaken by the responsible accounting officer.

Safeguarding of Funds:

Departments seeking and obtaining approval to accept funds on behalf of the university are responsible for securing all funds. The extent of the physical storage facility should depend on the amount and regularity of the funds collected; departments holding cash in excess of \$2,000.00 must ensure that funds are secured in a reinforced cabinet or safe, equipped with a padlock or combination code and possibly a bar that secures all drawers and doors that cannot be easily removed. Please note that "petty cash boxes" do not fulfill this requirement.

Transporting deposits to the university's depository should not follow any fixed, regular time or route pattern; deposit times should vary and be subject to change at short notice, so as to prevent the possibility of others knowing exactly when employees will have access to cash. Bank deposit bags should always be disguised in other bags, envelopes or applicable containers. Under no conditions should deposit bags be exposed to public view. Employees' safety is of paramount importance, and employees should contact UCF Police Department if they feel threatened or if their personal safety is compromised.

UNIVERSITY BANK ACCOUNTS

University funds must be deposited to the official university bank account; under no circumstances should a departmental or personal bank account be used. Only The Associate

Provost for Budget, Planning and Administration and Associate Vice president for Finance has the authority to establish banking relationships with a financial institution.

PREPARATION OF DEPOSITS

Departments making a minimum of two or more deposits per month will be responsible for completing the bank deposit ticket and departmental transmittal. The funds and predetermined documents must then be placed in a pre-numbered, tamper proof deposit bag, before placing the bag in the university's depository which is located at the east entrance (facing the Reflection Pond) in Millican Hall.

Keys to the university's depository will be issued to authorized individuals from each department, to facilitate depositing funds with SA- Payment Processing Office. The initial key will be issued without charge to the department; however, any subsequent request for a replacement key will incur a nominal fee of \$25.00, to be paid by the requesting department. Details regarding the account codes to which the funds should be credited will be available from SA- Payment Processing Office.

All funds must be deposited with SA Payment Processing Office in a timely manner, unless alternative arrangements are made and approved by the Director of Finance & Accounting or designee. University entities located away from the main campus can request approval to make deposit directly to the university's bank; however, all relevant documents including bank acceptance slip and departmental transmittal must be forwarded to SA Payment Processing Office immediately, either in person or via email. To ensure the integrity of deposit documents sent via email, file should be in a PDF format.

The following guidelines are provided to ensure all departments are in compliance with these procedures.

CUMULATIVE RECEIPTS	MINIMUM FREQUENCY OF DEPOSIT TO STUDENT ACCOUNTS
UP TO \$499.99	WITHIN 3 BUSINESS DAYS
\$500.00 TO \$2,999.99	WITHIN 2 BUSINESS DAYS
\$3,000.00 TO \$49,999.99	NEXT BUSINESS DAY
\$50,000.00 OR MORE	SAME DAY IF POSSIBLE
ANY SINGLE ITEM \$250,000.00 OR MORE	SAME DAY/IMMEDIATELY

In situations where duplicate deposit documents (bank acceptance slips and credit card settlement reports) were submitted for processing, and subsequently requires reversal of the duplicate receipt, the following must be adhered to:

- The responsible fiscal officer (RFO) listed on the Departmental Authorization List, (DAL) for the affected department, must submit an explanation for the duplicate submission and request a reversal of the posted transaction.
- The request should be sent to SA- Payment Processing Office via email and to copy F&A, Financial Reporting and General Accounting.

F&A will issue blank bank deposit books (available from SA- Processing Office, MH-Rm 109) to all approved departments; however, departments are required to purchase the tamper proof deposit bags and endorsement stamps. These supplies must be purchased from the SPOT Store located on the main campus.

F&A and SA- Payment Processing personnel are the only ones authorized to contact the university's banking partner to request deposit books and other banking supplies. Deposit books will be distributed to authorized department staff, who are reminded that these are accountable documents, containing the university's banking routing and account numbers and every effort must be made to secure them at all times.

All deposit tickets must be completed in duplicate, and be accompanied by 2 calculator tapes, (completed by separate individuals) providing the total value and number of check in the deposit. The example below should serves as the standard for preparing and submitting deposit tickets. Failure to comply may result in the rejection of the deposit requiring departmental personnel to visit the office (MH-Rm 109) to make the necessary correction(s). Deposits submitted via the depository will not be returned to the department. Please see below for example of endorsement stamp and completed deposit ticket.





Preparing Tamper Proof Deposit Bags

All departments are responsible for purchasing approved tamper proof deposit bags for making department deposits. These approved bags are available for purchase from The SPOT Store on campus (located in JTW center). Deposit bags should always contain an outer pocket for placing the departmental transmittal and **copy** of the bank deposit ticket; the **original** deposit ticket must be placed with the cash and checks and sealed before depositing. Please note that all bags must be sealed prior to placing in the depository. Please see below.

CONTROL OF A
A 4739884
${ar O}$ SAMPLE ON HOW TO COMPLETE THE BAG ${ar O}$
To BANK OF AMERICA (BOA) SAID TO CONTAIN:
1 USING A BALLPOINT PEN, FLL USUF REGURED INFORMATION IN YELLOW SHUDDD BOX INSERT DEVOSITINTD MG.
CUT HERE TO REMOVE CONTENTS
1 INSERT CHECKS AND DEPOSIT SLIP
A 4739884
To SAID TO CONTAIN:
Check Amount \$
From Account/Store #
Prepared By /
Authorized Signature

Department deposits containing large amounts of coins should use bags designed for transporting coins; heavy duty coin bags should not be placed in the night depository. Coin bags must be delivered directly to SA Payment Processing by contacting SA Payment Processing personnel to arrange acceptance and transfer of custody. The table below provides some guidance when the heavy duty coin bags should be used.

Coins	CUMULATIVE VALUE FOR COIN BAGS
0.01	>\$5.00 Rolled Coins
0.05	>\$20.00 Rolled Coins
0.10	>50.00 Rolled Coins
0.25	>\$75.00 Rolled Coins
Mixed Coins	>75.00 Rolled Coins

DEPARTMENTAL TRANSMITTAL

All deposits, (including electronic) must be accompanied by a complete departmental transmittal. To ensure the timely processing of deposits, it is critical that all requested information be provided on the departmental transmittal form and that the total amount shown on the transmittal agrees with the total amount provided on the bank depositticket.

Deposit transmittals are categorized as (1) Non- Expense Transmittal... Form 41-908A and (2)

Departmental Expense Reimbursement Transmittal Form 41-908B.

Transmittals and accompanying instructions can be found at:

http://www.studentaccounts.ucf.edu/Forms/Forms.cfm

Please see examples of completed deposit transmittals below:

Departmental Non-Expense Transmittal (41-908A)

	UCF- Finance & Accountir	ng		DATE	03/01/201
	Department Name				
PLEASE DEPOSIT THESE FUND	DS AS SHOWN BELOW:			1	
	ource of Funds:	Tax Exempt ID		Account Number	
Accounts Receivable / Lease / Contract / Daily Sales / Sales Tax Collected / Deposits Payable		ON FILE YES or NO	Department / Project Number	(151XXX, 331XXX, 355XXX, 6XXXXX)	Dollar Amoun
Catering	Fee - Non Taxable	YES	01400301	604010	\$ 2,500.00
Cateri	ng Fee - Taxable		01400301	604343	\$ 467.50
Caterin	g Fee - Sales Tax		01400301	355002	\$ 32.50
				TOTAL DEPOSIT	\$ 3,000.00
See attached for further instru	ctions.			TOTAL DEPOSIT	\$ 3,000.00
See attached for further instru				TOTAL DEPOSIT	\$ 3,000.00
See attached for further instru Depositor's Name:	ections. Ima Knight			САЗН	\$ 3,000.00 \$ 500.00
		res please)		САЗН	
	Ima Knight Please Print your Name (No signatu			САЗН	
Depositor's Name:	Ima Knight			CASH CHECK CC AM XPRESS	
Depositor's Name:	Ima Knight Please Print your Name (No signatu			CASH CHECK CC AM XPRESS CC DISCOVER	\$ 500.00
Depositor's Name:	Ima Knight Please Print your Name (No signatu ext. 3-2000/imaknight@			CASH CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD	\$ 500.00
Depositor's Name:	Ima Knight Please Print your Name (No signatu			CASH CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD	\$ 500.00
Depositor's Name: Depositor's Phone #/ UCF email address:	Ima Knight Please Print your Name (No signatu ext. 3-2000/imaknight@			CASH CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA	\$ 500.00
Depositor's Name: Depositor's Phone #/ UCF email address: Return Receipt to address	Ima Knight Please Print your Name (No signatu ext. 3-2000/imaknight@			CASH CHECK CC AM XPRESS CC DISCOVER CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA	\$ 500.00
Depositor's Name: Depositor's Phone #/ UCF email address: Return Receipt to address	Ima Knight Please Print your Name (No signatu ext. 3-2000/imaknight@			CASH CHECK CC AM XPRESS CC DISCOVER CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA ATM DEBIT CARD	\$ 500.00

Department Expense Reimbursement Transmittal (41-908B)

WUCF		CENTRAL FLORIDA MENT TRANSMITTAL TO CASHIER'S OFFICE	CLEAR	03/01/2016
	Department Name		Date	03/01/2010
PLEASE DEPOSIT T	HESE FUNDS AS SHOWN BELOW:		Account Number	
	Source of Funds: Phone/Payroll/Travel/Etc.	Department/Project Number	(7XXXXX)	Dollar Amount
	Travel	03420313	726101	\$ 100.00
				<u> </u>
			1	<u> </u>
				<u> </u>
	ere the source of funds relates to expenses being reimbursed	L	TOTAL DEPOSIT	\$ 100.00
See attached to	r further instructions.			
			CASH	\$ 100.00
Depositor's Name:	Ima Knight		CASH	\$ 100.00
Depositor's Name:	Ima Knight Please Print your Name (No signatures please)	-		
Depositor's Name:	Please Print your Name (No signatures please)	-	CHECK CC AM XPRESS CC DISCOVER	
Depositor's Phone	Please Print your Name (No signatures please) #/ ext.3-2000/imaknight@ucf.edu	_ _	CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD	
Depositor's Phone JCF email address	Please Print your Name (No signatures please) #/ ext.3-2000/imaknight@ucf.edu	- -	CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD	
Depositor's Phone JCF email address Return Receipt to a	Please Print your Name (No signatures please) #/ ddress	<u>-</u>	CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA	
Depositor's Phone JCF email address	Please Print your Name (No signatures please) #/ ext.3-2000/imaknight@ucf.edu	 1_ 	CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA	2 2 2 2 2 2
Depositor's Phone JCF email address Return Receipt to a nclude zip+4	Please Print your Name (No signatures please) #/ ddress +0115		CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA ATM DEBIT CARD	
Depositor's Phone JCF email address Return Receipt to a nclude zip+4 Note: If a deposit is	Please Print your Name (No signatures please) ext.3-2000/imaknight@ucf.edu +0115		CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA ATM DEBIT CARD UD DEPT SMART	
Depositor's Phone JCF email address Return Receipt to a nclude zip+4	Please Print your Name (No signatures please) ext.3-2000/imaknight@ucf.edu +0115		CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA ATM DEBIT CARD UD DEPT SMART VA CHAPTER 33	
Depositor's Phone JCF email address Return Receipt to a nclude zip+4 Note: If a deposit is	Please Print your Name (No signatures please) ext.3-2000/imaknight@ucf.edu +0115		CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA ATM DEBIT CARD UD DEPT SMART VA CHAPTER 33 TOTAL DEPOSIT	\$ 100.00
Depositor's Phone JCF email address Return Receipt to a nclude zip+4 Note: If a deposit is	Please Print your Name (No signatures please) ext.3-2000/imaknight@ucf.edu +0115		CHECK CC AM XPRESS CC DISCOVER CC MASTER CARD DEBIT MASTER CARD CC VISA DEBIT VISA ATM DEBIT CARD UD DEPT SMART VA CHAPTER 33	\$ 100.00

ELECTRONIC DEPARTMENT DEPOSITS

Departments approved for submitting non-cash deposits (credit cards and deposit acceptance receipts from the bank) via electronic mail must ensure that completed deposit information is submitted by the next business day. To maintain the integrity of the information, all documents must be submitted in a PDF format. SA- Payment Processing will provide the email address where these deposits can be sent.

SALES TAX

Sales Tax and Unrelated Business Income Taxes

University departments and related entities should be aware that the sale of certain goods or services may be subject to state sales tax and/or federal Unrelated Business Income Tax (UBIT). Departments should have their deposits reviewed by the Tax Department (a department of Finance & Accounting) to determine if any tax considerations should be made. Contact information for the Tax Department can be found on the Finance & Accounting website at <u>www.fa.ucf.edu</u>