



University of Central Florida

Finance & Accounting Procedures Document

Purpose of Procedure:	To establish guidelines for Departments charged with the responsibility of receiving payments on behalf of the University
Who Processes:	Authorized Departments
How often:	Daily
What is Processed:	Cash, Checks, Credit Cards and Other Forms of Electronic Payment
Where are the results distributed:	Departmental journals and the general ledger
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Purpose: These guidelines apply to all departments collecting funds on behalf of the University. It is the responsibility of university departments or offices which receive funds to (a) deposit them with the Student Accounts Payment Processing Office (SA- Payment Processing), or (b) under certain approved conditions, deposit directly with the university's bank, promptly, accurately and with proper documentation. These procedures apply to all funds received by University departments or offices from any source including, but not limited to: receipts for sales; vending receipts; parking permit sales; ticket sales; deposits; refunds; payments of fees or fines; and other transactions whereby the University is paid by cash, checks, or credit cards. All receipts of cash, checks, and credit cards must be properly documented and deposited in accordance with the university's guidelines.

Procedure for Departments Collecting Funds

Departments receiving approval for collecting funds on behalf of the University are required to adhere to the following:

Recording

Funds shall be recorded in the order they are received using cash register receipts, a check log, or pre-numbered receipts.

- a. Cash Register – Cash Register usage is encouraged for recording small multiple transactions such as payment of fines, for equipment usage, and miscellaneous charges. Registers must be key controlled to ensure that the terminal and cash drawer can be locked and secured when not in use and capable of recording each

"sale" on a continuous tape that is retained in the machine. A copy of the receipt must be printed by the register and given to the customer.

- b. Check Log - In the absence of cash registers, all checks received by departments must be recorded in a check log. Minimum requirements for this log include the date, check number, amount, and payer. Once the funds are deposited to SA- Payment Processing Office, the receipt number should be recorded in the log.
- c. Pre-Numbered Receipts – used by departments whose business volume does not justify purchasing a cash register. University approved pre-numbered receipt books which are available at the office supply store (The SPOT) located on campus and must be purchased through Interdepartmental Transfer (IDT) or UCF issued P-Cards. These receipt books should not be sold for cash, personal credit cards or checks. Department management must ensure that the necessary controls are in place to limit access to these receipt books, while accountability exists for every receipt issued. If, for any reason, a pre-numbered receipt must be voided, the original and all copies must be marked VOID, and retained in the department file for audit purposes.

Checks

Whenever a check is presented as payment, the UCF ID # or driver's license number of the payer must be recorded on the check. In addition, the cashier receiving the check should initial or place cashier's assigned number on the check that would indicate who accepted the payment. Checks should then be endorsed with the University's endorsement stamp, directing deposit to the General Operating Fund. To ensure the accuracy and security of the university's banking information, the endorsement stamp must be purchased at The Spot store on campus. The information on the endorsement should include the department's name.

Checks or other negotiable instruments, made payable to the University or derivative thereof, will not be endorsed over to any individual, club, or organization. Executives of clubs, societies and other organizations should ensure that checks are made payable to their clubs, societies, or organizations. Further, funds received by any department not authorized to receive funds, or not intended for that department, should be immediately delivered to the SA- Payment Processing Office. Cash collection areas are not authorized to cash any personal, State, Federal or other checks.

Payment for returned check debts must be processed directly at the SA- Payment Processing Office. At no time should returned check payments be processed with departmental deposits. All inquiries regarding returned checks should be directed to SA- Payment Processing

Credit Cards

Departments accepting credit card and debit card payments by telephone or in person must ensure the security and confidentiality of the card holders' information. The individual presenting

the card must be the card holder; letters or notes of authorization from the card holder are not acceptable. The original receipt (merchant copy) signed by the customer must be retained by the department and the second copy (customer's copy) must be issued to the customer. At the end of the business day, the credit card terminal should be settled, and the original settlement slip attached to the transmittal for deposit to SA- Payment Processing Office. All terminals should be password protected to prevent unauthorized use.

Departments not utilizing the online refund function should have this capability deactivated by Merchant Services.

Departments are mandated to comply with the guidelines outlined in the Payment Card Industry Data Security Standard (PCI-DSS) Compliance. A Credit Card Merchant Procedures manual is available for reference on the Finance & Accounting website:

<http://www.fa.ucf.edu/Merchant/Publications/Publications.cfm>

Failure to comply could result in large fines to the University. To ensure compliance, personnel processing or handling credit card payments or information are required to take FSC-111 Credit Card Info Security Training annually.

Cash

All cash payments must be recorded and a receipt issued to the customer. Large bills must be verified with an approved counterfeit-detecting pen or light. Cash disbursement from funds collected for personal services, materials, supplies, loans or any other reason is strictly forbidden. Any such occurrence can lead to the appropriate disciplinary action.

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Special Events

Departments hosting special events, where it is anticipated that cash collections will exceed twenty-five thousand dollars (\$25,000), must coordinate with the SA Payment Processing Office, and assistance will be provided to ensure the necessary safety measures and internal controls are in place to receive, receipt, balance and deposit these funds. If necessary, a university cashier may be assigned to assist.

Events include but are not limited to accepting payments from non- traditional students registering for non-degree credit classes, special events held on or off campus, or events at any of the regional campuses. Benefiting departments will be required to cover the cost of armored security and other incidental expenses related to collection of these funds.

Guidelines for Departmental Deposits

1. Daily deposits shall be made where feasible.

2. \$25 is the maximum amount that should be retained in a department equipped only with a money box that can be placed in a locked desk or similar container.
3. Off-campus offices, collecting departmental funds may deposit them directly to the University's bank. Prior approval must be obtained from the university's Bursar. Once the deposit is completed, the departmental transmittal, copy of bank deposit slip, and bank verification slips should be scanned and emailed as a PDF file to the SA Payment Processing office for posting.

Overages and Shortages

Any overage and shortage, regardless of the amount, should be recorded on the departmental transmittal, using the department/project number and account number 604098, and sent to SA-Payment Processing Office for recording. This account should be reviewed regularly by the responsible manager. Overages should never be kept to apply against future shortages or any other purpose. Discrepancies in excess of \$250.00 or in situations where management suspects misappropriation of funds should be referred to the University Audit Department.

Refunds

Request to process refunds for overpayments or cancelled events must be processed through Finance and Accounting using Form 41-615 - Refund Request. Under no condition should refunds be made using cash received in the department. Credit Card refunds may be processed using the merchant system assigned to the department and can be done for transaction completed within one-year from the date of the original transaction's posting date. Credit card refunds greater than one year from the original dated transaction are required to use the above form.

INTERNAL CONTROLS

Separation of Duties

Necessary internal controls should be established and adhered to every day. To help accomplish this, there should be a clear separation of duties for the collection of money, maintaining records, depositing of funds and reconciliation of accounts. If this is not possible due to staffing constraints or other factors, individual accountability and strict management supervision and review are required. Individual department's guidelines and procedures for collecting funds should be developed and made available to the relevant employees. Where possible, access to collection areas should be restricted to authorized personnel only. Unannounced review of any collection area may be undertaken by the University's Audit Department or other authorized University official.

Reconciliation

Monthly reconciliation of deposits to the general ledger should be undertaken by staff members independent of the receipt and deposit of funds; discrepancies should be researched and corrected on a timely basis. Departments collecting sales taxes and UBIT (Unrelated Business Income Tax) should contact Finance and Accounting to ensure compliance with the necessary tax regulations and other guidelines. Account activity can be monitored through Data Mart or queries on PeopleSoft Financials, additional reports and information can be obtained from the Finance and Accounting Division.

Personnel Background Checks

All personnel charged with the responsibility of collecting or handling funds must be subjected to a criminal background check. Employees whose background check does not meet Human Resources' standard cannot be assigned these duties. This is particularly relevant to OPS employees and Student assistants who are not routinely subject to these checks. Employees are required to sign the Credit Card Security Ethics Certification form (Form 41-915) indicating understanding and willingness to comply with the University's credit card policies and procedures. Additionally, departments utilizing the services of Temporary Agencies should request that candidates undergo background checks. This is also a requirement of PCI-DSS.

Safety and Security

The safety and security of all personnel are paramount, and every effort must be made to ensure that adequate safety measures are in place to achieve this objective. It is the responsibility of the department's management to ensure armored escort for transporting large sums of cash to and from the SA- Payment Processing Office or local banks. Individuals collecting payments should avoid unnecessary risk that could compromise their personal safety. In cases of blackout and other unplanned sudden disruption, all safes, vaults and cash drawers should be secured; however, this should not be undertaken at the expense of personal safety.

University employees whose job duties involve the collection, handling or any dealings with cash, checks, or other forms of payment are covered under the University's Crime Policy, held with the State of Florida.

Summary

These guidelines are established for departments collecting funds on behalf of the University and are not intended to be all inclusive. Departments having specific questions should contact the SA-Payment Processing Office or Finance & Accounting Financial Reporting and General Accounting area.