

OFFICIAL CASH HANDLING PROCEDURES

FOR DEPARTMENTS, STUDENT FINANCIAL SERVICES, AND ACCOUNTING

To be in compliance with the Cash Handling and Deposits Policy, Departments must also adhere to these official cash handling procedures.

DEPARTMENTS

A. Cash Receipts

1. Daily Cash Handling

Mail must be opened at least once each business day to account for all receipts. Upon receipt of any payment, immediate action should be taken to verify whether or not the payment relates to the department's operations. If the payment cannot be identified as belonging to the department, the unidentified payment and any related correspondence should be sent to the Finance Office for handling and disposition within 1 business day of receipt.

Cash registers should be located so the customer can observe amounts being recorded for their respective transactions. Areas without cash registers must supply a hand written receipt.

2. Checks/Check Cashing

Checks must be in US funds and payable through a U.S. bank. Please contact Student Financial Services and follow the instructions below if you have received a check that is not in US funds. Checks drawn on banks outside the continental United States should be made payable to Ferris State University in U.S. funds and payable through a U.S. Bank. (Note: Some foreign checks are accepted by the bank subject to collection. For example: a check drawn on a Nigerian bank is currently handled as a collection item which is costly to the University, and your specific Department.) Any fees or exchange rate associated with a check drawn on a foreign bank will be charged back to the respective customer and/or department account.

If a check is received in another currency, it must be hand-delivered to Student Financial Services by the department in a secure deposit bag and opened by Student Financial Services staff. The department must indicate that a foreign check is enclosed. Include a miscellaneous receipt with the Amount and Total sections left BLANK. Student Financial Services will arrange for currency conversion at the bank and will enter the U.S. dollar amount on the miscellaneous receipt. Any fees or exchange rate associated with a check drawn on a foreign bank will be charged back to the respective customer and/or department account.

Checks must be made payable to Ferris State University but may also include the name of the University program or organizational unit if the check is mailed directly to Student Financial Services. If checks are to be received by mail, the senders should be notified in advance to make their checks payable as indicated above and to mail them to the attention of the department involved.

Upon receipt, all checks must immediately be restrictively endorsed by the department in ink (stamp or pen) with the words, “For Deposit Only – Ferris State University” and include the name of the depositing department.

Checks inadvertently made payable to persons or departments must be immediately endorsed by the payee or department head, and then further restrictively endorsed (see above) and included in the deposit. If necessary, the payer should be contacted and advised that the payee name is incorrect and should request corrective action.

Check cashing privileges are available to students, faculty, and staff at the Timme Center for Student Services. Since this service is provided by CSS, the following actions are prohibited in the departments.

- a. Cashing personal checks out of the department’s cash receipts for any reason:
- b. Use of department cash receipts or change funds for expenditures where a Purchase Order or Corporate Card should be used.

Cash refunds may be made from the cash receipts drawer if the purchase was originally receipted for in cash and that the customer provides a receipt as proof of a cash purchase.

At the discretion of the department, a payer’s check may be accepted for an amount greater than the amount of the purchase, provided that the department applies a consistent written policy and procedure with appropriate limits over the amount of purchase in this regard and it has been provided to all affected employees.

B. Safeguarding Cash Receipts

Receipts must be safeguarded during operating hours and secured in a safe or locked file drawer or cabinet safe overnight.

Receipts must not be left unattended and should be concealed from the general public or any University employees that are not directly responsible for receipt handling activities.

All funds received must be accumulated in a secure place and access restricted until deposited.

Secure deposit bags are to be used by the main campus Department to secure cash and checks while they are being transported to TCF Bank for deposit. Secure deposit bags may be purchased from Amazon https://www.amazon.com/dp/B012BK3PEO/ref=cm_sw_em_r_mt_dp_U_mJYnDb4CV2MC8 . Kendall deposits will still use the existing process for Fifth Third Bank.

C. Reconciling, and Preparing Cash Receipts for Deposit

Control totals from cash registers (machine tapes and printouts) must be verified, at least daily, to receipt totals. This should be done by an employee that does not have access to receipts.

A check register or log of all cash, checks, and credit card receipts should be prepared or recorded daily by an employee who does not have update access to the accounting records.

Accounts receivable credits must be recorded by entry: 1) to an account in the University’s Billing /Receivable system or; 2) into the operation’s subsidiary detail account. In both cases, the recording of the transaction should be completed by an employee who does not open the mail.

All receipts must be recorded in the University's financial system accounts, 1) by electronic transfer from the Billing / Receivable system, or 2) by direct entry in the Accounting Office through "uploads", or 3) by manual entry using a Miscellaneous Receipt.

Sales invoices, cash register receipts or other supporting documents must be used to account for and record retail sales transactions in the University's Financial Accounting System. Retail sales must be controlled with a cash register or other point of sale terminal. Also, retail sales may be subject to State of Michigan Sales or Use taxes. Questions regarding Sales or Use taxes should be directed to the Finance Office.

Deposit Ticket

Bank deposit tickets are supplied to departments by Student Financial Services.

Deposit tickets must be reconciled and compared to supporting records, (e.g., cash and checks). They should be verified and initialed by an employee who does not handle receipts or have updated access to accounts receivable records. A calculator tape should be enclosed with the deposit and verified to daily totals.

If daily receipt volume is high, Student Financial Services personnel may ask some departments to complete a bank deposit slip. The bank deposit slip form must have following information.

1. Cash total
2. Check total, attach adding machine tape
3. The department name, the date, and the total of the deposit (include cash and checks only).
4. Initials of preparer & verifier
5. Touchnet receipt # (optional for your records)

Credit Card Terminals

Credit card terminals must be closed out, balanced daily, and corresponding revenue totals recorded in their designated University accounts. Please ensure compliance with the **Credit Card Processing and Security Policy**.

Touchnet Entry/Miscellaneous Receipt

Departments will use the electronic Miscellaneous Receipt process in Touchnet. The Miscellaneous Receipt form must include the following information.

1. Banner description and date of the deposit.
2. Index and Account numbers, as well as applicable Activity codes.
3. Dollar amount for each Index and Account, as well as a grand total.
4. A total of all receipts (listed separately as cash/check and credit cards). This accounting total should be reconciled to the information taken from the bank deposit amount (cash and checks) and credit cards sales total (**from credit card batch slip**).

D. Transporting Cash Receipts

Deposits for main campus are to be transported in a secure deposit bag to TCF Bank located on the corner of State and Perry, across from the FSU FLITE Library. Deposit bags must be put in the night deposit drop box located on the upper level of the bank (by Rite Aid), directly to the right side of the main lobby door. The night drop allows around 2-3 bags at a time, you may need to drop the 2-3 bags, enter 2-3 more bags, and so forth until all are dropped. Deposit bags are not to be taken inside

the bank. Departments will need to have a key for the night drop. Keys will be available at Student Financial Services once authorized. Kendall deposits will still use the existing process for Fifth Third Bank.

Donation checks must be delivered to the UA&M office. Deposits must be transported in a secure deposit bag.

Secure deposit bags MUST be used by the Department to secure cash and checks while they are being transported to TCF bank for deposit. Secure deposit bags can be purchased from Amazon using this link https://www.amazon.com/dp/B012BK3PEO/ref=cm_sw_em_r_mt_dp_U_mJYnDb4CV2MC8

Departments must ensure that cash and checks are transported to TCF bank in accordance with the **Frequency of Deposits Schedule and Guidelines found in Attachment B of the Cash Handling and Deposits Policy.**

Authority to make deposits directly at the bank must be granted by Student Financial Services. Any bank deposit discrepancies and/or subsequent changes are to be handled by Student Financial Services and TCF Bank. The depository department must contact Student Financial Services immediately upon discovery of a deposit error and is not authorized to contact TCF Bank directly.

Departments will email the Touchnet Deposit ID receipt #(s) to Kelly Normand in Student Financial Services after depositing their bag at TCF Bank.

E. Maintaining Cash Receipt Records

The departments must maintain all detailed documentation supporting all deposits, receipts and billings in accordance with the University's Records Management Policy and Retention Schedule. For accounting and reconciliation purposes, such records should be filed by date of deposit and maintained in an orderly manner. Departments may request that the Finance Office review their specific documentation requirements.

All departments are to ensure that the amount is properly recorded in the designated account.

All University departments will retain a copy of the bank deposit slip (yellow) with supporting documents for each deposit.

STUDENT FINANCIAL SERVICES (Formerly Business Operations)

Department Touchnet Entry/Miscellaneous Receipts

Student Financial Services will forward Touchnet Entry/Miscellaneous Receipt data to the Accounting Office for recording in the designated University account.

All receipts with overages or shortages, or representing an unusual or reconciling problem, must be investigated immediately by Student Financial Services. Corrections to Touchnet Entry/Miscellaneous Receipts will be made based on errors reported to Student Financial Services by the processing bank and reported to Accounting via Monthly bank correction notification document.

FINANCE DEPARTMENT

- A. All deposits in the University's Accounting System accounts use the Departmental/Miscellaneous Receipt Form/receipt memo as the source document.
- B. Other receipts are recorded in University's Accounting System through a feed from the Billing / Receivables detailed accounting system, automated upload and other departmental controlled subsidiary systems.