

**RADFORD UNIVERSITY
FUNDS COLLECTION/DEPOSIT PROCEDURES**

Revised: May 2008

Campus departments that are responsible for collection of university funds must establish written procedures to safeguard these assets. This document states the requirements that departments will need to follow in developing written procedures for funds collection.

INTERNAL CONTROL RESPONSIBILITIES

Departmental Responsibilities

A. Basic Controls for the Receipt of Funds

- For new programs assessing fees to participants, obtain approval from the Vice President for Finance & Administration.
- For new funds collection points, obtain approval and account information from the Associate Vice President for Finance & Administration.
- Ensure that responsibility for collections received, from time of receipt to time of deposit, is clearly defined and documented within each authorized funds collection location.
- Ensure that adequate back-up procedures are in place so that in the absence of an employee involved in the process, departmental responsibilities and deadlines can still be met.
- Funds collection handling, record keeping, and reconciliations should be assigned to different people. If the size of the department makes proper separation of duties impossible, a second person must verify reconciliations of funds received and accounts maintained.
- Restrictively endorse checks immediately upon receipt with university approved stamp.
- Issue a receipt for **every** cash transaction.
- Deliver deposits directly to the university cashier in compliance with timeliness requirements. Intermediate stops, overnight layovers, and taking deposits home for next morning deposit are not allowed. **Campus mail must not be used to deliver funds to the university cashier.** If bags are needed for deposits, contact the Student Accounts/Cashiers Office.
- Record payments by using a cash register, pre-numbered receipt book, or a list of individuals that made payment using a class roster or IFAS batch. Listings should include student or customer name, ID number, amount paid, and date amount was received.

- **Deposit university funds only into appropriate university accounts**, not into accounts such as RU Foundation accounts, club or organization bank accounts, personal bank accounts, or petty cash accounts.
- Keep university funds and personal funds separate.
- **Note: all funds collection handling operations are subject to review by the university's internal auditor and external auditors. If the controls are inadequate for the volume of funds handled, corrective action is required and monitored.**
- Check cashing from change funds or revenue collected by departments is **prohibited**. IOUs may **not** be placed within funds or cash collections. Disbursements from change funds or cash collections are strictly **prohibited**.

B. Prepare the Deposit Transmittal form.

C. Reconcile revenue amounts on departmental records to amounts shown on IFAS reports.

Cashiers Office Responsibilities

- A. Provide departments with instructions for the daily deposit of receipts.
- B. Reconcile Deposit Transmittal form and provide receipt to department.
- C. Assist departments in resolving problems encountered in the reconciliation process.

Associate Vice President for Finance & Administration Responsibilities

- A. Provide approval and account information for all new funds collection locations.
- B. Perform periodic analysis of all revenue items to determine reasonableness.

Vice President for Finance & Administration Responsibilities

- A. Approve new fees assessed to program participants in accordance with university and Commonwealth regulations.

DEPOSIT POLICIES AND PROCEDURES

Banking Arrangements

University banking arrangements and credit card agreements are established by Financial Services. Bank accounts may **NOT** be established at the departmental level in Radford University's name or federal identification number.

Cash Handling and Receipts

Daily cash transactions received by departments must be recorded by using a cash register or pre-numbered receipts. Departments may order their own receipt books by entering a purchase request through the university's financial accounting system (IFAS). Receipts should provide:

- Dollar amount
- Date
- Receipt number
- Description of payment
- Name of the person paying the transaction
- Signature of the person completing the receipt

Receipt books should provide triplicate copies of each receipt. Distribution of the three copies of receipts should be as follows:

- First copy to the person from whom funds were received
- Second copy to the university cashier with the deposit
- Third copy to remain in the receipt book

If receipts are voided, all three copies of voided receipts should remain in the receipt book. Departments should also ensure that receipts are issued in numeric order.

Checks

For checks a listing of individuals, class roster, or IFAS batch in place of a cash register or pre-numbered receipt is acceptable as long as the student or customer name, ID number, amount paid, and date amount was received are listed. Checks accepted by departments should show:

- Current address
- Telephone number
- ID of the payer (i.e. RUID, driver's license)

Checks should be examined for correct dates, amounts and signatures. Checks should be made payable to Radford University and restrictively endorsed immediately upon receipt as follows, using your departmental endorsement stamp:

- For Deposit Only to: Treasurer of Virginia, Radford University
- Your Department Name
- SunTrust Bank, East Main Street Office
- Acct.#005205603

If an endorsement stamp is needed, contact the Student Accounts/Cashier office.

Occasionally, checks are returned from the bank because of insufficient funds, uncollected funds, stop payment, etc. The Student Accounts/Cashiers Office will attempt to collect payment from the check writer for returned checks. If collection attempts are unsuccessful, your department budget will be charged for the amount of the check and the return check service charge. The returned check will be forwarded to you so that you may attempt to collect payment from the maker of the check.

Deposits

All cash and checks received by university departments must be deposited with the university cashier within 24 hours from the time the funds are initially received by any employee of the university.

All credit card deposits must be submitted to the cashier daily, regardless of the amount.

If funds are held over in compliance with this policy, care should be taken to appropriately safeguard the funds. Campus mail **must not** be used to deliver funds to the university cashier.

When preparing deposits for submission to the cashier, all collections (cash and checks) should be totaled and balanced to receipts. A deposit transmittal form should be completed for each deposit showing the following information:

- Date
- Department name
- Reason for deposit (i.e. application fees, ticket sales)
- Appropriate revenue code
- Dollar amount of the deposit
- Any cash overage or shortage
- Signature lines for appropriate personnel (sample transmittal attached)

Questions concerning revenue codes should be directed to Financial Reporting (extension #5942). Departmental deposits will not be accepted by the cashier without proper revenue coding.

All deposits should be made intact, inclusive of any over/short amounts, which should be noted on the transmittal. Deposit transmittal forms are to be completed in triplicate and signed by the person preparing the deposits. All three copies of the transmittal should accompany funds submitted to the cashier. Upon receipt, the cashier will sign and date the transmittal to indicate that they have received the deposit and return one copy to the person making the deposit. As it is not possible for the cashier to verify deposits at the window, deposits will be verified at a later time. When verified, the cashier will return a second copy of the deposit transmittal to the depositing department, with a signature and date indicating that the deposit has been verified.

Upon receipt of the verified copy of the transmittal, the depositing department should match it with the copy of the transmittal received at the time of deposit. On a periodic basis, depending on the volume of receipts, but at least monthly, the depositing department should also match the deposits with the actual postings to IFAS. These comparisons should be made by someone other

than the person receiving funds or making deposits, if possible. Unexplained discrepancies should be discussed with the cashier or the Manager of Student Accounts. The department should maintain written documentation to support the reconciliation.

SECURITY OF UNIVERSITY FUNDS

Cash Operational Practices

- A. Keep a minimum amount of cash in cash registers, drawers, etc. Cash should be kept in a locking safe, locking file cabinet, or other secure location. Do not leave cash unattended during the workday. All funds must be kept in a secured (locked) storage area at night, such as a file cabinet or safe. Store cash in an area that is not visible to unauthorized personnel.
- B. Safe combinations and keys should be restricted to a minimum number of employees. A list should be maintained, typically by a manager or supervisor, identifying who has safe combinations and keys.
- C. Safe combinations and keys should be changed, at a minimum, when an employee having the combination or key transfers or terminates employment (the university locksmith can usually do this).
- D. If you keep bait money in your area, keep serial numbers recorded where they can be obtained by the police if needed. Do not store these numbers in the same location as the cash.
- E. Avoid routine procedures that can be observed by a would-be robber. Vary time and route for making deposits.
- F. Use a university police officer for an escort when transporting large sums of money.

In the Event of a Robbery

- A. Always remember that your safety is the most important consideration in a robbery and that cash can be replaced. Therefore, take no action that will jeopardize personal safety. Don't argue with the suspect or try to stop them.
- B. Consider any firearms displayed by the suspect(s) to be loaded.
- C. If you have a silent alarm in your area, activate it if possible.
- D. Try to remain calm and do exactly what is demanded by the suspect(s).

During a Robbery

The chances of apprehending a robbery suspect are improved if you are able to give an accurate description of the suspect. Be prepared to observe the suspect, usually within one minute. Remaining calm during a robbery will increase your powers of observation and minimize personal injury. You should:

- A. Observe all physical characteristics of the robbery suspect.
 - 1. Facial characteristics, complexion, hair.
 - 2. Clothing worn, head to foot.
 - 3. Speech, mannerisms.
 - 4. Scars, deformities.
 - 5. Suspect's method of operation.
- B. Note method/direction of travel and description/license plate of vehicle used.
- C. Describe type of weapon used if one was displayed.
- D. If more than one suspect is involved, study the nearest one. Don't try to observe all suspects in detail.

After the Robbery

The ability of the police to arrest the robbery suspect is largely dependent on how quickly they are notified. You should:

- A. Notify the university police immediately after the suspect(s) has exited the premises by dialing Ext. #5500. Stay on the phone until the police dispatcher tells you to hang up.
- B. Lock all doors to the premises to prevent the suspect(s) from returning if confronted by the police.
- C. Ask witnesses to the robbery to stay inside the premises until the police arrive.
- D. All witnesses should complete robbery aftermath forms.
- E. Do not discuss suspect description or actions with other witnesses.
- F. Note and protect any evidence left by the suspect(s).

Funds Missing

If you discover funds missing by other means such as breaking and entering, embezzlement, etc., notify university police immediately and secure the area to prevent evidence from being destroyed. If you discover an office broken into, do not enter. Go to a safe place and telephone the police. The suspect could be hiding inside.

