

SUBJECT: Receipt and Deposit of Funds by Departments	Effective Date: 10-18-06	Policy Number: 3-200
	Supersedes:	Page Of 1 4
	Responsible Authority: University Comptroller	

APPLICABILITY/ACCOUNTABILITY:

This policy is applicable to all departments that receive funds on behalf of the University of Central Florida.

POLICY STATEMENT:

The University Controller’s office is the only entity authorized to establish bank accounts or other financial relationships in the university’s name and is the designated custodian of all university funds. Departments are prohibited from depositing university funds in outside financial institutions. Departments that have demonstrated a valid business purpose for receiving funds should seek approval from the University Cashier’s office prior to receiving funds. The University Cashier’s office is responsible for ensuring that departments are authorized to collect funds and have been properly trained in the receipt and handling of funds. Department’s management is responsible for implementing proper collection practices and internal controls.

DEFINITIONS:

Funds. The term “funds” could mean any form of legal tender accepted by the university.

Personal Identification Number. The “personal identification number” could be a UCF employee identification number, UCF assigned temporary identification number, or a government-issued identification number such as the social security number, individual taxpayer identification number, federal employer identification number, or driver’s license number.

PROCEDURES:

Approval to Receive Funds:

Departments that believe they need to collect or receive funds as part of their departmental operations should seek approval from the University Cashier by completing F&A form 41-961 on the F&A website at <http://www.fa.ucf.edu/forms/forms.cfm> and forwarding it to the UCF Cashier's Office for review. If the request is approved, the Cashier's Office will provide training as needed to departmental personnel in the proper handling of funds, will review collection practices, and will discuss necessary internal controls with the departmental staff.

Processing by tender types:

1. Cash--only U.S. government issued currency is acceptable. 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.
2. 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. No third party checks are acceptable. 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, and the cashier receiving the check should record an approved initial or identifying mark indicating who accepted the payment.
3. Electronic Payments-- Departments may accept payments made through electronic means, such as by credit or debit cards, electronic checks, Automated Clearing House (ACH), and wire transfers. All electronic payments must be sent directly to the University of Central Florida General Operating Account. Bank account information is available for appropriate purposes by contacting the Cashier's Office. 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 are required to use the university's e-Pay system portal.

Collected Funds:

Collected funds should be recorded using cash register receipts, a check log, or pre-numbered receipts.

1. Cash Register—cash register use is encouraged for recording small multiple transactions. A copy of the receipt must be printed by the register and given to the payee.
2. Check Log--In the absence of cash registers, all checks received by departments must be recorded in a check log.
3. Pre-Numbered Receipts--Form No. *DR-1 Departmental Receipt* should be used when a cash register is not available and in situations in which a more informative receipt is desirable. Departmental receipt forms, printed in triplicate, are available from the University Cashier. A copy of the receipt must be given to the payee.

Deposits by Departments:

Total funds collected should be deposited in the UCF Cashier's Office daily, where practical, or as soon thereafter as possible, using the F&A form number *41-648 Departmental Transmittal* form.

Upon prior approval by the University Cashier, off-campus departments collecting departmental funds may deposit them directly to the university's bank account. The University Cashier will provide deposit books to approved off-campus departments for this purpose. Once the deposit is complete, a transmittal form and bank verification slip should be forwarded (scanned and e-mailed as a PDF file) to the University Cashier for receipting.

Document Retention and Record Keeping:

Copies of receipts, tapes, and any other documentation prepared or obtained by departmental personnel in connection with the receipt or deposit of funds become a part of the department's financial records. Such records must be kept in an auditable format, properly labeled, and filed by fiscal year in ascending order by receipt number. The department must adhere to the university's record retention policy of three fiscal years.

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). Concerns or questions regarding tax issues should be directed to the Tax Accountant in Finance & Accounting.

FORMS

Finance & Accounting Form *DR-1 Department Receipt* available in the UCF Cashier's Office
Finance & Accounting Form *41-908 Departmental Transmittal* and Form *41-961 Request to Accept Departmental Payments* available on-line at <http://www/fa/ucf/edu/> then click on forms/Cashier's Office.

INITIATING AUTHORITY: Vice President for Administration & Finance

POLICY APPROVAL	
(For use by the Office of the President)	
Policy Number: 3-200	
Initiating Authority: <u>[Signature]</u>	Date: <u>11/13/06</u>
Policies and Procedures Review Committee Chair: <u>[Signature]</u>	Date: <u>11/13/06</u>
President or Designee: <u>[Signature]</u>	Date: <u>11/14/06</u>