
CASH HANDLING AND REPORTING

A. Purpose

The purpose of this policy is to outline procedures for the consistent cash management at The University of Texas Rio Grande Valley (UTRGV).

B. Persons Affected

This policy applies to all employees or students of UTRGV who are responsible for accepting, managing, or in any way assisting with the handling of cash, checks, or credit cards in the name of UTRGV for any purpose.

C. Definitions

1. Automated Clearing House (ACH) - transactions governed by the National Automated Clearing House Association (NACHA) and controlled through UTMB banking services agreement.
2. Cash - Under this policy, cash refers to currency, checks, credit cards, web payment, and electronic payments (i.e.: Automated Clearing House (ACH) and wire transfers).
3. Change Fund - Funds maintained by individual departments authorized to handle cash to be utilized for the sole purpose of carrying on their cashiering operation and **not** for the purpose of obtaining miscellaneous items, paying for minor unanticipated operating expenses, cashing employee checks, or making loans for any reason.
4. Deposits - To include all payments of coin, currency, checks, electronic media and all negotiable instruments.

D. Policy

It is the policy at the University of Texas-Rio Grande Valley (UTRGV) that the handling, receipting, depositing, and reporting of all cash operations or cash related activities at UTRGV be consistently managed.

E. Responsibilities

Department heat responsibilities are outlined below (F.2)

F. Procedures

Consistent management of UTRGV'S cash operations requires the proper administrative authorization to manage cash operations, individual responsibility and accountability of access to and control of actual cash and cash operations, employee training of proper cash handling requirements, and internal control of cash handling.

All departments that use departmental change funds or accept cash, checks or credit cards in the name of UTRGV for any purpose must obtain prior written approval from Finance and Public Policy-Fiscal Services/Comptroller (Treasury Department). A copy of this written approval must be kept on file at all times in the department, and the original kept on file in the Treasury Department.

1. *Billing & Mailing of Payments:*

All contracts, memorandums of understanding, affiliation agreements, interagency agreements, royalty agreements, vendor agreements or any other solicitations involving payments to UTRGV should instruct the sender to remit payment to the UTRGV Bursar's Office or by ACH. The payment should be made out to UTRGV and should not be made out to any individual employee. Departments must coordinate specific billing information through the Treasury Department. Each department will be required to provide billing and account information needed to identify the payment for proper allocation.

2. *Department Head Responsibilities:*

a. *Handling and Monitoring Cash*

The department head for each location where cash is maintained or accepted is responsible for assuring that proper procedures are followed for handling and monitoring cash. All cash received should be recorded and handled under appropriate internal controls. If the department head has appointed a custodian, the custodian of a change fund has the ultimate responsibility for the fund.

Procedures are to include, but not limited to, ensuring proper segregation of duties exist among staff, complete documentation and audit trails are maintained, staff complete required online cashier training, random audits, sequential receipting, balancing, and timely and accurate reporting. The documentation of transactions and the balancing of cash at all points of transfer and transport are critical to maintain accuracy and safety of cash transactions.

b. *Security Measures*

The department head and/or their custodian shall ensure that adequate security measures are taken for the control of the institutional funds and the safety of all personnel handling cash.

When not in use, cash or related items must be stored in a safe, cash register, locked drawer or locked box. Cash or cash related items should never be left unattended during working hours. All cash operations or processing areas must be secured from entry by unauthorized people. When safes are used, the combination must be changed periodically and sent under seal to the UTRGV Police Department.

3. *Payment Card Industry (PCI) Standards:*

In order to comply with PCI standards and enhance the protection of patient/customer credit card information UTRGV has adopted these data security measures.

- a. Build and maintain a secure network
- b. Protect cardholder data
- c. Maintain a vulnerability management program
- d. Implement strong access control measures
- e. Regularly monitor and test networks
- f. Maintain an information security policy

4. *Cash Over/Short Differences (Unreconciled Cash):*

Cash over/short amounts, often referred to as unreconciled cash amounts, must be reported and accounted for within 24 hours. Cash shortages in excess of \$25.00 must be reported to UTRGV Police, and an incident report must be completed and provided through the appropriate administrative channels to the Treasury Department.

Cash overages in excess of \$25.00 must be reported to your immediate supervisor, the department administrator, and to the Treasury Department. All overages will be deposited immediately to the institutional over/short account.

5. *Change Funds Restrictions:*

Absolutely no borrowing, lending, or check cashing from any UTRGV cash operation is permitted. Private or personal funds may not be combined with change funds.

6. *Closing Cash Funds:*

When the need for cash funds ceases to exist, all cash must be deposited at UTRGV's Bursar's Office(s) and notify Finance - Treasury to properly close out the cash fund. Any change in custody must be documented and made in the presence of the current custodian and either the new custodian or the department head/administrator. The Department of Finance – Treasury must be notified if the custodian of a change fund transfers to a different department or terminates employment with the University within three (3) business days.

7. *Internal Audit:*

All procedures are subject to a compliance review and/or audit by the Internal Audit Office. An annual confirmation of all change funds and petty cash funds is to be conducted by the Treasury Department and should include verification of fund amount and identification of the custodian.

8. *Employee Clearance For Cash Handling:*

All prospective employees with job responsibilities involving the handling of cash in any capacity must be screened and cleared through UTRGV's Human Resource Department prior to assuming their duties.

9. *Employee Training:*

Each employee handling cash must complete the online Cash Handling Training within the first 30 days of employment and complete a renewal class every two years. The required training includes employees that handle cash and their supervisors.

10. *Endorsement Guidelines:*

a. *Checks*

All checks should be made payable to the "University of Texas Rio Grande Valley." A restrictive endorsement in the name of UTRGV must be placed on each check at the time of receipt. The restrictive endorsement must say the following:
For Deposit Only
UTRGV
(Your Department Name)

Each check received by a UTRGV employee must be stamped with an endorsement stamp. All checks returned to UTRGV as insufficient funds (NSF) will be aggressively pursued for payment. To the extent allowed by law, a return fee of at least \$25 shall be applied to any check returned for insufficient funds.

b. *Cashiers*

Prior to finalizing the transaction, Cashiers must write the customer's Texas Driver's License number on the front of the check along with their Student ID Number or Employee ID if applicable.

11. *Deposit Guidelines:*

Deposits should be made daily if total receipts are \$100 or greater, or twice a week if the accumulated deposit is less than \$100. Please keep in mind that individual departments may require daily deposits.

All departments transmitting daily deposits are to utilize a tamper proof locked bag. Any transfer of assets shall be documented and signed by both sending and receiving parties and a log of these transfers maintained to document the transfer.

If deposits are to be transmitted to the Bursar's Office on each of the campuses across UTRGV'S locations and consist of an excessive amount of currency, you must contact the Treasury Department in order to determine if a police escort is warranted.

12. *Web Guidelines:*

Any website developed with the intent of accepting payments, must be coordinated with the Treasury Department. No payments should be processed via PayPal or similar third party payment processors. Payments should go the on-line payment system in place at UTRGV. Payment information must be closely guarded and compliant with the appropriate web security standards approved by the web security officer.

All web payments will be automatically updated to prescribed department account through the batch update process from the on-line payment system. Prior to the website going live, the Treasury Department will require documentation that internal controls have been met and the department sponsoring the website has met all of the required guidelines issued by the Finance-Treasury Department regarding websites and complies all PCI standards and UTRGV IS security requirements

13. *Unrelated Business:*

a. *Income Taxes (UBIT):*

Subsequent to accepting cash in the name of UTRGV for sales or services rendered, the Tax Compliance Office must make a determination regarding whether the payment received will be considered unrelated business income for the purpose of calculating UBIT. If the payment activities are considered to be UBIT eligible, additional requirements may be imposed on the requesting departments.

G. Relevant State Statutes, State Regulations, UTS Policy, and Forms

The University of Texas System *Board of Regents' Rules and Regulations*, Part II, Chapter III, Section 1

University of Texas System UTS166, Cash Management and Cash Handling Policy