

<b>SUBJECT:</b> Receipt and Deposit of Funds by Departments; Types of Funds Accepted	<b>Effective Date:</b> 07-13-11	<b>Policy Number:</b> 3-200.1	
	<b>Supersedes:</b> 3-200	<b>Page</b> 1	<b>Of</b> 4
	<b>Responsible Authority:</b> University Controller		

DATE OF INITIAL ADOPTION AND EFFECTIVE DATE: 10-18-06

**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 Finance and Accounting prior to receiving funds. Finance and Accounting is responsible for ensuring that departments are authorized to collect funds and that department personnel have been properly trained in the receipt and handling of funds. Departmental management is responsible for implementing proper collection practices and internal controls.

**DEFINITIONS:**

**Funds.** Any form of legal tender accepted by the university.

**Personal Identification Number.** 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 must seek approval from Finance and Accounting by completing F&A form 41-961 on the F&A Web site at <http://www.fa.ucf.edu/forms/forms.cfm#> and forwarding it to Student Account Services (a department of Finance and Accounting) for review. If approved, Student Account Services 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 currency is accepted. Currency in denominations of \$50 or more must be verified with a counterfeit-detecting pen or light. Cash collections must be safe-guarded at all times, using proper internal controls and 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. Generally, third party checks are not acceptable. Exceptions can be made by the University Controller or Associate Controller for Student Account Services. 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 Student Account Services. 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, unless exempted by the university controller.

### 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--*Departmental Receipt* should be used when a cash register is not available and in situations in which a more informative receipt is desirable. Approved Departmental Receipt forms, printed in duplicate are available from the office supply store (The SPOT) located on campus. The original receipt must be given to the payee.

### Deposits by Departments

Total amounts collected should be deposited in the Student Account Services Office daily, or as soon thereafter as possible, using the F&A form number *41-908A or 41-908B Departmental Transmittal* form.

Upon prior approval by Student Account Services, 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 Student Account Services 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 six 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 41-908A or 41-908B 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*.

RELATED INFORMATION:

Detailed procedural information is available online at:  
<http://fa.ucf.edu/guidelines/guidelines.cfm>

- BPSF-CA-105 Departmental Receipt of Funds
- BPSF-CA-106 Departmental Deposits
- BPSF-CA-107 Drop Box Procedure

INITIATING AUTHORITY: Vice President for Administration and Finance and Chief Financial Officer

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: 3-200.1	
Initiating Authority: <u>Will F. Mentz, II</u>	Date: <u>10-24-11</u>
Policies and Procedures Review Committee Chair: <u>Julian Schell</u>	Date: <u>10-21-11</u>
President or Designee: <u>John C. Hill</u>	Date: <u>10/24/11</u>