



Campus Administrative Policy

Policy Title: Cash Receipts and Deposits

Policy Number: 2004 Functional Area: Finance

Effective: April 1, 2022
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Supersedes: Cash Receipts and Deposits (August 1, 2014)

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Applies to: CU Anschutz Medical Campus
CU Colorado Denver

A. INTRODUCTION

The purpose of this policy shall be to establish the guidelines for cash receipts and deposits at the University of Colorado Denver | Anschutz Medical Campus. It shall be the responsibility of all University employees to ensure compliance with this policy.

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C. APPLICABILITY AND DEFINITIONS

This policy shall apply to all cash receipts and deposits at the University of Colorado Denver | Anschutz Medical Campus.

Cash Receipts include paper currency, coins, checks, money orders, wire transfers, charge card slips, lockbox receipts and foreign checks.

Direct Deposits are deposits prepared by a department and delivered directly to the bank by the department or the armored car company rather than through the University Bursar's Office.

Foreign Checks are checks drawn on a bank outside the US (even if drawn in US dollars).

Insufficient Funds means not having a sufficient balance of good funds in an account with a financial institution for the cashing funding of a check presented for payment.

Lockbox is defined as payments sent by companies or individuals directly to the bank for processing by companies or individuals.

D. POLICY STATEMENT

1. General

It shall be the policy of the University that no bank accounts for University activity be maintained without University of Colorado Treasury approval. In addition, all deposits shall be reported in approved general ledger programs or projects.

2. Custody

Specific, department procedures appropriate to the size and complexity of the activity shall be adopted to ensure that responsibility for cash receipts can be traced to a single individual at all times. Such procedures may include the use of cash registers, separate cash drawers, receipts and logs.

3. Segregation of Duties

Receipt of payments and deposit handling should be handled by a different person than billing and related accounting entries, refunds, and reconciliation. If segregation of duties is not possible due to the small size and limited staffing of a department, implement compensating controls appropriate for the nature and size of the operations.

4. Securing

Receipts must be secured at all times until they can be deposited in a locking device appropriate to the size and complexity of the operation such as a locked box, a locked drawer, or a safe with access restricted to a limited number of essential employees.

5. Deposit Method

Departments shall deposit receipts with the University Bursar's Office, or they may use a lockbox or the direct deposit method if prior approval has been obtained from the Finance Office and University Treasury. With the Direct Deposit method, deposits are delivered directly from the department to the bank

by armored car or a University employee.

6. **Deposit Timing**

Receipts are to be deposited in a timely manner. Deposits must be made no less frequently than on the last working day of the week in which the receipt is received by the department. Receipts received during the last week of the month must be deposited on the last working day of that month. Departments receiving currency or significant checks daily should deposit daily (discuss with the Finance Office what constitutes “significant” for your operation and security set-up).

7. **Holding Checks**

Departments may occasionally receive money in the form of cash or checks that may later need to be refunded, such as an application fee. Such monies are not to be held pending disposition of the issue in question and possible return of the remittance. Such monies are to be deposited immediately. Any subsequent refund will be handled by the issuance of a payment voucher.

8. **Check Payee**

Incoming checks associated with any University entity or activity shall be made payable to the University department or to some reasonable variation of the University’s, school’s or department’s name such that it seems clear that the payer’s intent is for the University to be the recipient. If a check is received that is not owed to the university but rather to another party, it should be returned to the payer with an explanation that the check has been issued to the wrong party; it is not proper to accept payment and then issue a payment voucher to the correct payee. It is also not proper for checks for any University activity to be made payable to faculty or staff. See also section on “Third-Party Checks”.

9. **Check Payor Information**

Occasionally, checks accepted for payment will be returned by the bank due to insufficient funds. This forces an involuntary credit-granting situation on the part of the organizational unit. Therefore, sufficient information should be obtained for each check accepted to facilitate the collection process should that become necessary. At a minimum this information would include name, address, phone number, and other identifying information as appropriate for the amount of the check.

10. **Check Endorsement**

Receipt In addition, any department receiving checks must immediately endorse the checks with a stamp having the following information. Checks are not to be accepted and endorsed at a later time because of the risk of theft. The endorsement speedtype and account code must agree with the speedtype and account code listed on the cash receipt to which the check is deposited. If a department has sufficient incoming check activity, endorsement stamps can be ordered by Treasury through the Finance Office.

For the Anschutz Medical Campus:

For Deposit Only The Regents of the University of Colorado #1018145260 <i>Department Name</i> Speed Type _____ Account Code _____
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For the Denver Campus:

For Deposit Only The Regents of the University of Colorado #1018145260 <i>Department Name</i> Speed Type _____ Account Code _____
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11. **Third-Party Checks**

No third-party checks will be accepted. These are checks where the original payee is other than the University of Colorado, but which have been endorsed on the back by the original payee and then made payable to the University of Colorado. These may create tax issues for the original payee that are better handled by having the payer reissue the check to the University of Colorado. They also create additional collection risks.

12. **Joint-Payee Checks**

Checks jointly issued to the university and an individual should not normally be accepted except for student-related payments handled by the Financial-Aid & Scholarship Office and the Bursar's Office. Financial aid checks made jointly payable to the University of Colorado and the aid recipient may be accepted and endorsed by the University without the endorsement of the joint payee under the following circumstances only:

- a. The joint payee has an active account in good standing at the University.
- b. The entire amount of the check is deposited to the joint payee's account.
- c. No cash is given back.
- d. No limitation is indicated on the front of the check, such as "Borrower's signature required" or "Endorsement constitutes acknowledgement of changed agreement" or similar wording.
- e. The back of the check is stamped under the normal University of Colorado endorsement with the following: "Absence of endorsement guaranteed".
- f. If a refund is owed to the joint payee, it is made using the normal campus refund procedures.

13. **Fees**

An assessment of \$20 will be charged by the University against any person when such person issues a check that is later returned for insufficient funds or when, pursuant to an electronic funds transfer, a non-sufficient transfer of funds notice is received in payment of tuition, fees, charges, or other monies due the University. If the debt has to be referred to a collection agency for collection efforts, additional collection costs may be added to the debt.

14. Refunds & Voids

Procedures appropriate to the size and complexity of the activity shall be adopted to ensure that refunds made from a cash receipt location (e.g., cash box, cash register drawer) and voided transactions are adequately controlled to prevent fraud. This may include requiring approval by a supervisor; documenting it with a receipt, including the customer's signature, date of the transaction, reason, and signature of the cashier; or implementing compensating controls.

15. Reconciliation

A reconciliation of receipts, deposits and university accounting records should be performed by a person who does not have access to handle payment cards, cash or deposits not less frequently than monthly (should be more frequent for larger, more complex operations).

16. Foreign Checks

Foreign currency (bills & coins) and checks shall not be accepted.

Acceptance of foreign checks denominated in US Dollars is permissible but discouraged because of additional risks and costs of collecting outside the US. To mitigate these risks separate procedures for foreign checks are required (see section E part IV) that will result in a delay of credit to the account. The preferred payment method from outside the US is a wire in US dollars. Contact the Finance Office for wire instructions. On a side note, any relations with foreign students, faculty, or entities should be coordinated with the Office of International Relations.

Notes

1. Dates of official enactment and amendments:

August 1, 2008: Adopted by the Associate Vice Chancellor for Finance and Administration

July 1, 2014: Reviewed

January 31, 2019: Corrected

2. History:

July 1, 2014: Reviewed and Updated

November 29, 2018: Modified to reflect a 2018 Campus-wide effort to recast and revitalize Campus policy sites into a standardized and more coherent set of chaptered

policy statement organized around the several operational divisions of the university. Article links, university branding, and formatting updated by the Provost's office.

January 31, 2019: Exhibit A, Cash Receipts re-inserted

September 3, 2019: Formatting modified, removed an exhibit that is a process not a policy, and clarify we cannot accept foreign cash or checks.

3. Initial Policy Effective Date: July 1, 2014
4. Cross References/Appendix:
 - Colorado Revised Statutes 23-20-118 (2014) Investments in Consolidated Funds
 - University of Colorado [Treasurer Policies](#)
 - Administrative Policy Statement 4004, [Bank Account and Investment Account Restrictions](#)
 - University of Colorado Accounting Handbook Cash Control
 - Exhibit A, Cash Receipts

(Will not be part of the Policy – rather an Exhibit)

E. PROCEDURES FOR CASH RECEIPTS AND DEPOSITS

Part I. Cash Receipt Processing	
Performed by:	Action:
Appropriate Department Personnel	<ol style="list-style-type: none"> 1. Accumulate receipts during the day. 2. Do not make any disbursements from the receipts. 3. Prepare Cash Receipt Form prior to submitting it to the Bursar's Office. <p>Please note the following information relating to the deposit of grant, contract, and gift monies:</p> <ol style="list-style-type: none"> a. Any gift receipts for the CU Foundation, regardless of purpose (revenue, income, refund, reimbursement, etc.), must be sent to the CU Foundation for deposit. b. Any receipts for gifts directed to University must be deposited through the Office of Grants and Contracts for the Anschutz Medical Campus or through the Finance Office for the Denver Campus. c. If the gift receipt is ambiguous as to the payee, it is <u>not</u> permissible for the payee on a cash deposit, such as a check, to be <u>modified</u> by an employee or a university service provider, including a representative from a supporting organization. In these situations follow the University of Colorado Accounting Handbook titled, "Gift Revenues" and the guidance outlined in Attachment B. d. All sponsored program monies received from an awarding or contracting agency as revenue or as an expense reduction (refund, reimbursement, etc.) are to be deposited through the Office of Grants and Contracts (OGC). If cash is part of the deposit, it should never be sent to OGC but deposited at the Bursar's Office immediately and the department should provide a copy of the cash receipt to OGC, as appropriate. e. All sponsored program deposits (excluding cash) representing grant-related program income are to be sent to OGC for the Anschutz Medical Campus. For the Denver Campus, all program income deposits should be made by the department directly at the Bursar's Office. <p>NOTE: OGC will provide the department with a copy of the receipt upon request.</p> <ol style="list-style-type: none"> 4. Deposit monies with the Bursar's Office (except as specified above under 3.b,d & e), along with Cash Receipt Form. If several checks are being deposited to a single speed-type and account, an adding machine tape or spreadsheet <u>must</u> be attached for verification of the total deposit. 5. Verify validated Cash Receipt Form received from the Bursar's Office.

	6. Keep the validated cash receipt with backup documentation in department files. Examples of backup documentation may include, but are not limited to, the following: attachments sent by payor that accompany the check for deposit; a copy of a University invoice; a document prepared by the department showing names of payers, check numbers, dates, and reason for payment; and check stub.
Part II. Credit Card Processing	
Performed by:	Action:
Appropriate Department Personnel	Follow the cash receipt procedures above with the following modifications: <ol style="list-style-type: none"> 1. Complete a separate cash receipt for each individual credit card transaction (i.e. only one credit card per cash receipt). 2. Send the credit card information to the Bursar's Office, including card number, expiration date, amount, and cardholder's signature. The unit can either write the information on the cash receipt or attach the original credit card transaction to the receipt, provided it shows this information. 3. No credit card information should be retained by the department. 4. If a copy of the validated cash receipt is requested by the department, a copy must be provided. The Bursar's Office will not make copies. The credit card information must not be included on the department's copy.
Bursar's Office	<ol style="list-style-type: none"> 5. The Bursar's Office will process the transaction, causing the information to be recorded in PeopleSoft. 6. If the department provided a copy of the cash receipt for their records, the validated copy will be mailed back to the unit through the intra-campus mail.
Part III. Direct Deposit Processing	
Performed by:	Action:
Appropriate Department Personnel	<ol style="list-style-type: none"> 1. Obtain approval from the Campus Controller and Treasury to make a cash deposit directly to the bank. 2. Departments using direct deposits shall verify the deposit total, attach a completed Bank Deposit Form, and send it directly to the bank via armored car. These deposit forms will have special encoding on them designating the specific department making the deposit directly to the bank; these department-specific forms must always be used for these types of deposits. 3. Prepare a Cash Receipt Form to reflect each deposit and deliver to the Bursar's Office.
Bursar's Office	<ol style="list-style-type: none"> 4. Validate cash receipts and return copy to user department. 5. Include validated cash receipts with daily cash receipt batch.

Part IV. Deposits Of Foreign Checks	
Performed by:	Action:
Appropriate Department Personnel	<ol style="list-style-type: none"> 1. Foreign checks must be processed as a separate deposit from U.S. checks, even if the foreign checks are in U.S. dollars. Please note if there are foreign checks in U.S. dollars and foreign checks in foreign currency, these checks must be processed as two separate deposits, as neither can be commingled. For foreign checks denominated in foreign currency, leave the amount on the cash receipt blank since the conversion will be determined by the bank.
Bursar's Office	<ol style="list-style-type: none"> 2. Foreign checks do not go to the bank with the armored car, but rather are hand-carried to the bank by the Bursar's Office. 3. Prepare a bank deposit slip for all foreign checks. Batch foreign checks denominated in US dollars separate from checks in foreign currency. A separate cash receipt must accompany each batch. If it is drawn in foreign currency, leave the amount blank. 4. If the check is drawn in foreign currency, the bank will compute the deposit amount based on the current conversion rate. 5. Process cash receipt for foreign checks for the amount determined by the bank. Mail department a copy of the cash receipt. If bank transaction and cash receipt are not processed within the same day, list the checks on the daily balancing sheet. When cash receipt is processed, remove from daily balancing sheet.