

Departmental Depositing of Cash, Checks and Currency

Approved By: Northeastern State University Policy Committee Responsible Official: Business Affairs (918) 444-2160	History: Adopted – New Related Policies: PCI Compliance E-Commerce Additional References: Oklahoma State Statute – Title 62 § 34.57 Forms:
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PURPOSE

The intention of this policy is to keep Northeastern State University in compliance with state statutes.

DISCLOSURE STATEMENT

Title 62 § 34.57 of the Oklahoma State Statutes requires:

- A. There is hereby created in the official depository in the State Treasury an agency clearing account for each state officer, department, board, commission, institution or agency of the state, hereinafter referred to collectively as state agencies.
- B. It shall be the duty of each state agency, officer or employee, to deposit in the agency clearing account, or agency special account, all monies of every kind, including, but not limited to:
 1. Tax revenues;
 2. Receipts from licenses, examinations, per diem and all other reimbursements, fees, permits, fines, forfeitures and penalties; and
 3. Income from money and property, grants and contracts, refunds, receipts, reimbursements, judgments, sales of materials and services of employees, and nonrevenue receipts, received by a state agency, officer or employee by reason of the existence of and/or operation of a state agency.
- C. All such monies collected pursuant to this section shall be deposited as follows in the agency clearing account or agency special account established therefor:

1. Receipts of One Hundred Dollars (\$100.00) or more shall be deposited on the same banking day as received; and
 2. Receipts of less than One Hundred Dollars (\$100.00) may be held until accumulated receipts equal One Hundred Dollars (\$100.00) or for five (5) business days, whichever occurs first, and shall then be deposited no later than the next business day.
 - i. Each state agency that has custody of receipts of less than One Hundred Dollars (\$100.00) shall provide adequate safekeeping of such receipts.
 - ii. No disbursements shall be made from such receipts prior to this deposit.
 - iii. All checks received must be restrictively endorsed immediately upon receipt.
- D. The State Treasurer, or Northeastern State University, is authorized to accept deposits directly to State Treasury funds, consisting of cash, bank drafts, bank cashier's checks, federal treasury checks and other forms of remittance which are uniformly honored for payment. All checks, drafts, orders and vouchers so deposited shall be credited and cleared at par and should payment be refused on any such check, draft, order or voucher, or should the same prove otherwise worthless, the amount thereof shall be charged by Northeastern State University, as designated by the State Treasurer, against the account or fund theretofore credited with the same; and the person issuing the check, draft, order or voucher shall be charged Twenty-five Dollars (\$25.00) by Northeastern State University to cover the costs of processing each returned check; provided, such charge shall not be made unless efforts have been made to present such check, draft, order or voucher for payment a second time.
- E. Northeastern State University, on behalf of the State Treasurer, shall not accept for deposit to any agency clearing account, or any agency special account, any warrant, check, order or voucher drawn against any state fund or account in favor of any individual or other person except the state officer, department, institution or agency for which account or fund the deposit is made, or a bona fide student enrolled at any of the state institutions of higher learning when such warrant, check, order or voucher is endorsed to the institution as payment of any fees or other accounts due such institution. A student enrolled at Northeastern State University may endorse a warrant, check, or voucher drawn against a state fund to Northeastern State University as payment of any fees or other accounts due the University. An employee of Oklahoma may endorse a warrant, check, or voucher drawn against a state fund to

Northeastern State University as payment of any fees or other accounts due the University.

- F. Northeastern State University shall transfer monies deposited in agency clearing accounts to the various funds or accounts, subdivisions of the state, or functions as may be provided by statute and no money shall ever be disbursed from the agency clearing account for any other purpose, except in refund of erroneous or excessive collections and credits.

POLICY

All money collected in the name of the University shall be deposited daily with the State Treasurer through Northeastern State University Bursar Services. If collections are received during a weekend or holiday, the monies will be kept in a secured environment and must be deposited with Northeastern State University Bursar Services on the next business day.

PROCEDURES

Accepting Cash

Any cash received should be acknowledged with the production of a receipt. One copy of the receipt is to be given to the customer. A second copy of the receipt or cash register tape is maintained by the department to document the cash received. If these receipts are manually produced, the documents should be pre-numbered and controlled to reduce the likelihood of misappropriation. Receipts that are electronically produced should be time and date stamped and the electronic record should not be alterable.

Accepting Checks

All checks received should be examined carefully for complete information. The amount, both written and numerical, and the signature of the payer must be correct, match, and be present. If the payee space on the check has not been completed, Northeastern State University should be entered immediately. Departments should not request that checks be made payable to the department. Two party checks should not be accepted unless they are drawn against a state fund and meet the requirements set out in subsection E of the Policy and Statutory Reference section of this policy.

All checks must be endorsed immediately. The recommended endorsement is:

FOR DEPOSIT ONLY

NORTHEASTERN STATE
UNIVERSITY DEPARTMENT
NAME

The appropriate ID number of the maker of the check should be in the upper left corner of the check. When possible, the accuracy of the address and phone number printed on the check should be confirmed.

Occasionally checks are received without adequate deposit information. These checks must be deposited, in compliance with Title 62 § 34.57 of the Oklahoma State Statutes, into the University's suspense account until such time proper identification can be made so funds can be transferred from the University's suspense account to the appropriate departmental account.

Personal checks should not be cashed from cash receipts. ATM's are located in the University Center and in the library on the Tahlequah campus and in the Administrative Services Building at the Broken Arrow campus.

Accepting Credit Cards

Northeastern State University (NSU) allows departments within the University to establish themselves as credit card merchants to more fully participate in e-commerce at NSU. Departmental processes must be Payment Card Industry (PCI) compliant including adequate security over information collected. Customer credit card information must not be retained on University web servers and must be maintained in a confidential, secure storage area with limited access. When possible, the credit card payment should be signed by the payer. Authorization codes should be pursued immediately upon receipt of the credit card payment.

Regardless of the method of accepting credit card transactions, the minimum information required for processing the transactions includes:

1. The card number
2. Expiration date
3. Card holder name
4. Card holder address (only required when not using a point of sale cashiering system)
5. Card holder phone number (only required when not using a point of sale cashiering system)
6. Amount of purchase
7. Sales tax amount (if applicable)

8. The total amount charged
9. The student or customer account ID number if payment is for a specific account

All credit card transactions must be tallied, settled, and closed at the end of each day. When the credit card transactions are settled, the credit card processor authorizes cash to be electronically transferred to Northeastern State University's bank account. However, the cash being deposited is not recognized as belonging to a department until the department delivers their deposit information to Bursar Services. Departments that receive payments through credit card transactions must deliver the deposit to Bursar Services within one business day. Upon delivery, the department will receive proper credit for the sales. Every department that is established as a credit card merchant, or receives benefit from the use of credit card services, will be assessed a processing fee. The credit card processor charges fees as a percentage of each transaction.

If a customer disputes a credit card transaction, the department must participate in the resolution of the dispute. The department will be required to produce original records that verify the transaction or produce other supporting documentation.

Departments Establishing Themselves As Credit Card Merchants

Bursar Services has been designated as having oversight responsibility for the administration of bankcard commerce. University departments that wish to establish themselves as a credit card merchant must make a formal request to Bursar Services.

Upon approval, the credit card administrator will contact the department and establish the credit card merchant service. If the department wishes to utilize a website for credit card sales, the department must have the website certified as "secure" by Northeastern State University's department of Information Technology Services and meet all e-commerce and security requirements of Information Technology Services. The use of the website must meet with University standards for electronic commerce.

For security purposes, customer credit card numbers or other personally identifiable information must not be retained on University web servers. If needed for a business purpose, then this information must be maintained in a confidential, secure storage area with limited access.

Wire Transmittals

When wire transmittals are processed, external banking institutions authorize cash to be electronically transferred to Northeastern State University's bank account. However, the cash being deposited is not recognized as belonging to a department until the department delivers their deposit information to Bursar Services. Departments that receive payments through wire transmittals must deliver the deposit to Bursar Services within 24 hours. Upon delivery, the department will receive proper credit for the sales.

International Drafts, Checks, And Money Orders

Bursar Services will accept funds drawn on any U.S. bank, payable in U.S. currency and written in English; or the item may be sent for collection. Canadian drafts, checks or money orders can be accepted, but they must be payable in U.S. currency and drawn on any U.S. bank. Otherwise Canadian and other foreign items must be sent through as a collection item. A discount or service charge will be absorbed by the department sending the item for collection. Any questions about international checks or drafts should be directed to Bursar Services.

Northeastern State University's preferred method of receiving international payments is via wire transmittal.

Returned Checks And Electronic Payments

Bursar Services has the responsibility of collecting all returned checks written to the University. Normally this will require the establishment of a returned item receivable account for the customer. Additionally, a returned item charge may be assessed on returned checks. Once a returned item is termed "uncollectible" it will be charged back to the department or organization accepting the payment. Electronic payments returned by a bank will be automatically charged back to the originating department.

Making Departmental Deposits

Bursar Services is responsible for making the daily deposit to the State Treasurer for the campus departments. To accomplish this, utilization of the electronic departmental deposit module is required to process deposits into Banner. Departments are responsible for establishing procedures for the review of funds prior to input into the electronic departmental deposit module and for ensuring employees are adequately trained and comply with those procedures.

To ensure that deposits are made daily, departments should establish a time each day for the preparation and transmittal of their deposit. Funds received

after the cut-off time for the days' deposit will be included in the deposit for the following day. Each department is responsible for ensuring that there are adequate controls to ensure the temporary safekeeping of these funds prior to their deposit. Such controls should include at minimum:

1. Removal of the funds from the cash register or money tray by the fund custodian.
2. Placing the funds in a locked bag or locked metal container and securing the bag or container in a safe or a locking drawer in a file cabinet or desk.
3. Access to the funds should be limited to the fund custodian or their designated backup.

Checks within the deposit should be bundled with two corresponding adding machine tapes equaling the amount of the bundled checks. Credit card settlements should also be bundled with two corresponding adding machine tapes equaling the amount of the bundle. All bills should be sorted by denomination and should all face in the same direction. Bills should be bundled and paper clipped as follows:

Denomination (Quantity) Amount, Coins Should Be Rolled

Ones	(25)	\$25
Twos	(25)	\$50
Fives	(20)	\$100
Tens	(10)	\$500
Twenties	(25)	\$500
Pennies	(50)	\$0.50
Nickels	(40)	\$2.00
Dimes	(50)	\$5.00
Quarters	(40)	\$10.00

Coin rollers may be obtained from Bursar Services. Rolls must have the department or organization name and the date they were rolled. The bursar cashier has the responsibility of verifying the accuracy of the monies listed on the deposit and physically included with the deposit.

Transmitting The Deposit

Campus or interdepartmental mail should not be used when making a deposit. Funds to be deposited should be secured in a locked bank bag. The department staff may choose to transmit the deposit to Bursar Services themselves and wait for a printed receipt. Or the department may deliver the deposit to Bursar Services and leave the bag with a duplicate key for processing later in the day. In this instance a department usually has two locking bags available for use.

They pick up the prior day bag and receipt when delivering the current day deposit.

Those departments who regularly have large deposits or those who may need to have a deposit secured overnight may utilize the services of Campus Police. With notice, Campus Police will transport large daily deposits to Bursar Services. They are also available to transport box office and late evening receipts to the bank to be secured until the next business day. Either process requires that the funds be secured in a locked bank bag. Campus Police will give an approximate time for this pick up. Please have your deposit ready for transport by this time.

Internal Audits

Departmental: If monies are accepted at campus departments, it is the department's responsibility to ensure internal controls and segregation of duties are in place and followed. Bursar Services provides internal auditing services to furnish department management with information to assist in the evaluation and control of the operations assigned to their responsibility. As a result, Bursar Services staff may periodically request documentation of a department's internal procedures regarding the handling of their funds. This documentation will be reviewed to ensure that adequate controls are in place to secure the University assets. Tests of those procedures to determine their effectiveness may be performed. Periodic confirmation of change funds will be conducted. Results of these reviews will be shared with Department managers. Department managers who wish to request assistance with evaluation of their procedures should call Bursar Services at extension 2185.

Departments are asked to assist with monitoring the procedures of Bursar Services. Printed receipts for daily deposits should be returned to the department. These receipts should be compared to departmental deposit records. Any discrepancies should be reported immediately to the Bursar.