

PROCEDURE TITLE:	COLLECTION AND RECEIPT OF CASH, CHECKS & CREDIT CARDS
PROCEDURE NO.:	4.21:3
RELATED POLICY:	4.21REV
PAGE NO.:	1 OF 3
RESPONSIBLE ADMINISTRATOR(S):	VPFA, CONTROLLER, BURSAR
EFFECTIVE DATE:	10/14/16
NEXT REVIEW DATE:	10/2017
APPROVED BY:	PRESIDENT

## 1.0 PURPOSE

This section summarizes the proper procedures for collecting currency, checks and credit/debit card payments.

## 2.0 MANUAL PROCESSING

2.1 Checks and currency presented in person must be recorded in an official, pre-numbered Shawnee State University receipt book available from the Office of the Controller. The only exception would be when pre-numbered event tickets obtained from the Office of the Controller are used. Accountability over cash transactions within a department, or at an event, should be assigned to a specific individual or individuals. Sales proceeds during an event should be kept in a locked metal box or cash drawer at all times.

2.2 All cash collected should be balanced daily to the income recorded (per the receipt book or ticket copies) and deposited per the requirements defined above in the section entitled "**Timely Deposits**". If pre-numbered event tickets are used for an activity, a reconciliation of tickets sold (as evidenced by Deposit Transmittal form copies) and unused tickets should be provided to the Controller's Office within seven (7) days of the event.

## 3.0 CHECKS

3.1 Checks are to be made payable to "Shawnee State University." Any other information on the payee line is for the convenience of the department only and is not necessary for proper credit or validation.

3.2 Checks must have the name, address, and check number pre-printed on the face of the check.

3.3 Starter checks or blank checks should not be accepted without approval of the Bursar.

### 3.4 Endorsement of Checks

Endorse all University checks immediately upon receipt by stamping the back of the check before putting it in the cash drawer. Contact the Office of the Bursar to purchase an official University endorsement stamp.

#### 3.4.1 The endorsement must include the following:

For Deposit Only  
Shawnee State University  
Department Name

3.4.2 The Federal Reserve has established a regulation to standardize check endorsements. All depositors' endorsements are limited to the top 1.5 inches on the back of the check.

3.4.3 Any marks below 1.5 inches on the check may obscure the bank routing number, cause delays in returning checks, and forfeit the University's right to recovery. The purpose of this regulation is to speed collection and returns. Failure to follow the above instructions may result in charge-backs to your department.

### 3.5 Limitations on Acceptance of Payments by Check

3.5.1 Checks **MUST** only be written for the amount owed to the University. ***Departments are not authorized to return currency to the payer in the event that the check exceeds the amount due to the University.***

3.5.2 Departments may not accept post-dated checks

3.5.3 Currency or checks received as a refundable deposit for services or goods (such as the rental of a University-owned math calculator) may not be held in the department in lieu of depositing funds and later issuing refunds.

### 3.6 Returned Check Procedures

3.6.1 Any checks returned by Shawnee State University's depository bank as uncollectable are sent to the Office of the Bursar. Examples of returned checks include: non-sufficient funds (NSF), account closed, payer's signature missing, refer to maker and postdated or stale dated checks.

3.6.2 The Office of the Bursar will forward copies of the returned check and related bank information to the Office of the Controller. The Office of the Controller will prepare a journal entry to remove the income from the originating department's account. A copy of the transaction and returned

check will be provided to the originating department for collection. It is the originating department's responsibility to notify the check writer and use due diligence to collect the amount of the check. Generally, restitution should be in the form of currency, a money order, a cashier's check or a certified check to ensure that the funds are actually being received. If after proper due diligence has been performed and restitution has not been received within 90 days of the date of the check, contact the Office of the Bursar for possible submission to the Ohio Attorney General's Office for collection.

#### 4.0 VISA, MASTERCARD, AND DISCOVER CREDIT AND DEBIT CARDS

- 4.1 To accommodate individuals desiring to pay by credit or debit card, authorized departments may accept Visa, MasterCard, and Discover card payments. This process is consistent with other cash handling procedures, though some additional steps are required and are outlined in the following paragraph.
- 4.2 Charge card transactions are monetary transactions, and are therefore subject to the same control and reconciliation procedures as cash transactions. A daily accounting of receipts, from sales or deposits, should be balanced against these electronic transactions. Funds related to the charge card transaction are automatically electronically deposited into the University's bank account and are reconciled by the Office of the Controller. All personnel authorized to accept credit and debit card payments must exercise reasonable care in screening transactions to reduce card misuse and loss of funds.

#### History

Effective: 01/20/12

Reviewed: 10/14/16 with no revision