

# CLEVELAND STATE UNIVERSITY

## Policies and Procedures for the Campus-wide Booking of Receivables and the Deposit of Receipts

### I. PURPOSE

- 1.1. The purpose of the Cleveland State University Policy for the Campus-wide Booking of Receivables and Deposit of Receipts is two-fold:
  - a. to ensure that all billings and receivables established by a department/college are booked through the Treasurer's Office Accounts Receivable area, and
  - b. to ensure compliance with Section 9.38 of the Ohio Revised Code, which states, in part, that "A person...shall deposit all...moneys received with...the properly designated depository on the business day next following the day of receipt. The policy shall include provisions and procedures to safeguard the public moneys until they are deposited."

### II. POLICY

Background: In an ideal situation, the billing of all receivables and the handling of all cash (defined as cash, check or credit card receipts) are processed by the Treasurer's Office Accounts Receivable or Cashiers area. However there are numerous departments on campus that invoice and/or collect receipts that they then process through the Cashier's Office. The controls detailed below are designed to ensure that all revenues are invoiced and recorded through the Accounts Receivable area of the Treasurer's Office and that all funds collected are deposited and reported efficiently through either the Accounts Receivable area or the Cashiers area so that those assets are safeguarded and accurately reflected on the University and departmental financial records.

Each department is responsible for ensuring that all receivables are recorded promptly and completely through the Treasurer's Office Accounts Receivable area. **No unpaid fees or other billings are to be tracked by the department. No loans are to be made and tracked by colleges, programs or departments.**

Each department is responsible for the receipts it receives for the University. All checks received in payment of amounts due the University must be made payable to Cleveland State University (or The Cleveland State University Foundation, if applicable). Checks may not be made payable to departments, department heads of any University officials or employees designated by name.

For departments that are authorized to receive payments of any type, the receipts should be deposited the day received or the next business day following. (See "Purpose" above.) Department heads should make certain that proper safekeeping facilities are available and that proper safeguards are taken to protect University funds until they are appropriately deposited with the Treasurer's Office. Cash should not be left unsecured overnight. If unusually large sums are on hand after normal hours, arrangements should

be made for use of the overnight depository (Express Payment Center at Cashier's). A security officer may be requested to accompany the deposits to their destination.

If the department is uncomfortable accepting unusually large checks or sums of cash they should direct the payor to the Treasurer's Office with the proper account information.

### III. PROCEDURES

No one person in a department should be responsible for invoicing, opening the mail and/or preparing the cash receipts for deposit. If possible, it is also appropriate to have a distinct employee reconcile the receipts to the Transaction Register monthly.

To ensure that proper procedures are followed for booking all receivables, follow those established by the Treasurer's Accounts Receivable Office. If a receipt is payment of a receivable booked by the Accounts Receivable area and previously recorded as revenue for the department, follow the Accounts Receivable office procedures for the correct recording of payments.

When cash receipts are payments for services by the department (accompanying admissions application, for transcripts, Career Fairs, etc.) checks properly drawn should be endorsed the day received with the University name and the appropriate account number, including the account, fund, department (org), and program number plus the project or grant number as applicable. Before depositing cash receipts at the Cashier's Office, copy all checks and credit card information or note on the application according to departmental procedures.

For efficient and correct recording of all other cash receipts, the departments should follow the policies and procedures of the Treasurer's Office Cashier's area. The Library, Parking Department and Continuing Education have separate and established procedures and should continue to follow those.

When the validated receipts are returned from Cashier's Office, attach the copies of the checks or credit cards (3.5) to the receipts. To ensure the individual's security of information provided with credit cards, blacken the card number and expiration date.

At the end of each month, print the departmental Transaction Register and reconcile all receipts to the recorded revenue. Identify and correct any discrepancies. File receipts by account number and date for easy review.

Request an aged receivable report for your specific department (if applicable) each month and verify that payments were properly recorded. Also review the checks/EFTs recorded in the Treasurer's holding account to ensure none of the items being held in suspension should be credited to your department's receivables or are payments for unbooked billings.

#### IV. AUDITS OF REVENUES

- 4.1 The Department of Audits will periodically audit a sample of revenue recorded in departmental and other income and fee accounts. Departmental backup will be reviewed to verify that the above procedures are being followed. Violation of the policy could lead to the suspension of departmental rights to engage in prohibited activities.