

Cash/Check Handling Instructions

Many University units, both on and off campus, provide goods and services that require cash/checks to be collected. All funds collected should be deposited intact with the Bursar's Office or deposited intact with the University's bank if the unit has been given prior approval to do so by the Bursar's Office. It is mandatory that all funds collected be properly safeguarded and that the unit's recording and depositing practices provide an unbroken audit trail which reflects where funds were initially recorded, deposited and appear as a credit in an official University account. Sales records should be kept according to the record retention policy.

Recording

There should be a dated, chronological record of the original entry for each individual payment. Any method is acceptable as long as an audit trail is maintained. Examples are: pre numbered receipt, cash register, validating machine, cash journal, or computer prepared record. The recording of the receipt of all payments should be prepared as soon as practicable after the payment is received. It is not acceptable to wait several days to prepare the receipt.

Depositing

Units with a high volume of cash typically should make deposits daily. Smaller units may deposit less frequently. **All units should make deposits at least weekly.** All funds collected must be deposited intact; i.e. the exact amount collected must be deposited. Units may not establish a cash fund from cash collected or make cash refunds from cash collected. It is inappropriate for University personnel to cash personal checks or to make loans (via IOU's) from cash receipts.

When preparing the deposit, the unit should deposit the exact amount collected since the last deposit. The unit should prepare a deposit transmittal form which should reflect receipt numbers and/or dates of the funds collected. The depositing unit must specify the account(s) to be credited. A copy of each transmittal should be retained by the depositing unit. The deposit should be transported in a secure fashion. Currency and coin should not be transported by campus mail.

Accounting

The deposit unit must specify the accounts to be credited including the appropriate object code. It is important to ensure that the credit was applied to the specified account. The depositing unit should examine the monthly account status report (the University official accounting department) to ensure that the credit was properly applied.

Receiving Checks

Due to the Federal Reserve Bank requirements and the refusal by some banks to process counter checks and drafts, University of Georgia units may not accept counter checks or drafts. Payers must obtain encoded checks from their respective banks before making payments to the University by check.

Any checks made payable to the University of Georgia or a unit thereof must be deposited with the University Office in a University account. A check made payable to the University of Georgia or a unit thereof cannot legally be deposited in a non-University of Georgia account. Units of the University include schools, colleges, divisions, departments, and other organizations identified in the University's State budget.

Any funds which are received in accordance with the terms of a contract, grant, or other agreement for the performance of services or any other expenditure of funds by a University unit must be deposited with the Bursar's Office to a University account. Payment cannot be made to a non-University organization or individual for services or expenditures charged to a University account or under the terms of a University contract, grant, or other agreement. Fees of other funds received in connection with a University workshop, or other program offering in which the costs are charged to a University account, must be deposited with the Bursar's Office to a University account.

Unrestricted gifts not requiring the services or expenditure of state funds must nonetheless be deposited in a University account if the payee is the University of Georgia or a unit thereof. If the maker or a check erroneously indicates the University of Georgia or a unit thereof as payee, the Bursar's Office will work with the organization or individual involved to either seek a reinsurance of the check or to otherwise record the check for the benefit of the intended recipient.

University units may accept checks only if the University of Georgia is the named payee. The University of Georgia may be named as payee in one of two ways.

- a. Preferably, a check should be made to the order of the University of Georgia. University units regularly receiving monies should use a stamp to endorse checks to the order of the University of Georgia. The stamp should also indicate the name of the receiving department.
- b. However, if a check made to the order of someone other than the University is presented by the payee, the University may be named payee by endorsement. Endorsement by a payee naming the University of Georgia as the new payee should include the following language:

Pay to the Order of
The University of Georgia

(Signature of Original Payee)

If a check made to the order of someone other than the University is presented by someone other than the payee, and the check is endorsed by the payee, the University may be named by the endorsement of the presenter, as follows:

(Signature of Payee)

Pay to the Order of
The University of Georgia

(Signature of Presenter)

Checks may be transmitted for deposit with the Bursar's Office by campus mail; however, in no case may currency or coins be transmitted by campus mail.