

Receipts Training



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Agenda

- ⌘ Background
- ⌘ Policy

- ⌘ Documentation
- ⌘ Reconciliation
- ⌘ Audit Findings



Background

In 2001, the existing policy was updated to include more specific instructions for departments. Changes included:

- Departments must request approval to routinely receive/receipt funds
- Use of standard University receipt book or other approved receipt
- Specific reconciliation rules

Policy

- Departments must be authorized to receive payments on behalf of Clemson University.
- Approved departments are responsible for ensuring adequate internal controls are in place to secure the collection and proper receipt of monies.

Terms to Remember

Internal Controls - processes designed to provide reasonable assurance regarding the achievement of the following objectives:

- Effectiveness & efficiency of operations
- Reliability financial records
- Compliance with applicable laws, regulations, and internal policies.

Separation of Duties

- Key element of internal control!
- By the term "separation of duties," we mean that one person's work serves as a complimentary check to another's.
- In other words, no one person should have complete control over any transaction from beginning to end.
- Having adequate separation of duties has a major impact on ensuring transactions are valid & properly recorded.

Separation of Duties for Receipt & Handling of Funds

- Standards of separation of duties should be applied to the maximum degree possible.
- Clear lines of authority & responsibility should be established in order to segregate the various steps in the transaction.
- Specifically, the person who accepts funds (in person & thru mail) and issues receipts must not prepare the deposit. Additionally, the person who prepares the deposit must not reconcile the CUBS account.

Ways to Receive Money

⌘ In person/walk-in traffic



⌘ Mail




Walk-in Payments

RECEIPT REQUIRED!




Using either the standard CU receipt book, cash register, or a pre-approved alternative receipt book.

Generic receipt books are not permitted.

Receipts 

| | |
|-------------------|---|
| Department name | Purpose of payment |
| Name of payer | Signature of person accepting payment |
| Date | Form of payment (cash, check, money order, credit card) |
| Amount of payment | |

Receipts 

Receipts are pre-numbered

Provide for copy to be given to payer and retained in the department for reconciliation purposes.

Note: Older receipt books are 3-part. No longer asked to send copy of receipt with deposit

Voiding a Receipt

Because each receipt is pre-numbered, all receipts must be accounted for at all times.

When voiding a receipt, write VOID, the reason, & have a supervisor sign the receipt.

Keep all copies of voided items in department.

Payments Received in the Mail

- If payments are received in the mail, the person opening the mail should prepare a **handwritten** check log or use a pre-approved method of recording the items.
- Excel spreadsheets or databases in which information can be deleted without a record cannot be used. However, if the page/ report is printed, signed, & dated each day, electronic log can be used.

Check Log Information

The following information should be recorded in a check log:

- Date mail was received in the department
- Check date
- Payer
- Amount
- Check number



Payments Received in the Mail

If the department chooses, mailed in items can be recorded in the department's receipt book or cash register.



Handling Cash, Check, Money Order, & Credit Card Payments

All funds must be properly secured prior to making the deposit. Access to the funds should be restricted to one person to ensure proper accountability.

- Checks & money orders must always be payable to *Clemson University*.
- Credit card information **must** be properly secured. A credit card number should never be emailed or retained on computer. If you write a credit card number down for processing, make sure to mark thru the number after the card is processed.

Endorsing Checks

- All checks & money orders should be restrictively endorsed upon receipt.
- Authorized receipting areas are responsible for obtaining the necessary restrictive endorsement stamp.


RESTRICTIVE ENDORSEMENT STAMP

YOUR DEPARTMENT NAME WILL GO HERE

FOR DEPOSIT ONLY

CLEMSON UNIVERSITY
DEPOSIT SWEEP ACCOUNT



Timeliness of Deposits 

Departments receiving cash, money orders, credit cards, and/or checks daily must deposit funds no later than the next business day after the day the funds are received.

Departments receiving cash, money orders, credit cards, and/or checks less frequently than daily must deposit funds no later than 3 business days after the day the funds are received.

Timeliness of Deposits

Any instances in which it appears deposits are not being made in accordance with the policy will be reported to the appropriate department/division personnel for and action. Internal audit is also notified.

Preparing a Deposit - Receipt Transmittal

- Department name
- Date
- Name & telephone number of person completing the deposit
- Beginning & ending receipt numbers included in the deposit (attach copies of receipts in numerical sequence to the receipt transmittal) and/or copy of mail log
- Complete CUBS account(s) including any over/short entries
- Amount calculations (always count twice!) for each type of payment (cash, check, & credit card)
- 2 calculator tapes for all checks & money orders
- All credit card sales slips, batch total report, & calculator tape

PREPARING DEPOSIT

Deposits must be made in tact.

No deductions should be made from the funds collected prior to the deposit.

Remember, deposit should always equal amount collected (documented in receipt book, cash register, and/or mail log).

Preparing a Deposit

Departments whose deposits are opened at Wachovia should put all cash, checks, & money orders in the locking/sealable bank bag along with a completed Wachovia deposit slip & calculator tapes.

The corresponding receipt transmittal along with any credit card slips & batch report should be sealed in an envelope.

Bursar's Receipts

A bursar's receipt will be issued for each deposit processed. If you do not receive a receipt, contact the Bursar's Office.



Over/Short Deposits

Deposits are always verified by either personnel within the Bursar's Office (dual control) or Wachovia/Carolina First personnel. Of an overage or shortage is discovered, the depositing department will be notified immediately.

Items Returned Unpaid

The Accounts Receivable area will follow normal collections procedures for returned items.

Once an item is deemed uncollectible, the CUBS account credited from the original transaction will be adjusted for the uncollected item.

The department will be notified of this adjustment.

RECONCILIATION

- Departmental revenue transactions are to be reconciled monthly. Reconciliation must include a comparison of the source documents (receipt copies, check log) to the transactions listed on the monthly Revenue Report.
- Must maintain adequate separation of duties.
- Employees should be adequately trained to complete the reconciliation.
- Must maintain documentation of the reconciliation including notations of any outstanding/unidentified items.
- Reconciliation must be signed & dated by the reconciler.

Reconciliation Steps

- Print Revenue Detail Report from data warehouse.
- Verify all pre-numbered receipts and/or daily mail logs are accounted for - including voided receipts.
- Trace original documents (pre-numbered receipts, cash register reports, mail log) for each deposit to the validated receipt transmittal and then to the Revenue report.
- Inquire about items on the revenue report for which there is no documentation or items that have documentation but no accounting entry on the Revenue Detail Report.
- Clear all reconciling items ASAP.
- Sign and date reconciliation.

THINGS TO REMEMBER!!!

- ✓ SEPARATION OF DUTIES IS A MUST
- ✓ RECEIPTS ARE REQUIRED FOR WALK-IN PAYMENTS
- ✓ MAIL-IN PAYMENTS MUST BE RECORDED
- ✓ SOURCE DOCUMENT = RECEIPT COPIES, MAIL LOG, AND/OR CASH REGISTER REPORTS
- ✓ RECONCILIATION MUST INCLUDE COMPARING SOURCE DOCUMENTS TO THE REVENUE DETAIL REPORT.
- ✓ SIMPLY TRACING BURSAR'S RECEIPT TO REVENUE DETAIL REPORT IS NOT A TRUE RECONCILIATION.

Audit Findings


| | |
|--|--|
| Not writing receipts or documenting when funds come in (including expenditure reductions). | No check log |
| Disbursements made from cash receipts prior to deposit. | Recording receipt numbers on receipt transmittal |
| Using funds collected to purchase prohibited items (alcohol). | Using excel |
| No reconciliation of revenue - going back to the source documents. | Retention of records |
| Conflict of interest | Separation of duties |
| Timeliness of deposits | No AR follow-up |
| | Taking inventory |

Fraud & Compliance Hotline

<http://www.clemson.edu/internalaudit/info.htm>

Fraud and Compliance Hot Line
Toll Free: 1-877-503-7283
or 864-656-0741

Available 24 hours a day, seven days a week.
If no answer, leave a message at the tone.


Points of Contact 

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