Student Business Services
Procedure for Handling Cash and Cash Equivalents for all Academic Departments and Hospital Clinical Areas

For all UT Tyler departments, clinics, hospitals, and other UT Health East Texas, UT Health North Campus Tyler, and UT Health Tyler facilities

Procedure Owner	Student Business Services
Applies To	All employees of The University of Texas at Tyler, including departments, clinics, hospitals, and other facilities of UT Health East Texas, UT Health North Campus Tyler, and UT Health Tyler that receive, handle, or process University and Hospital funds.
Effective / Review	To be reviewed by the Director of Student Business Services every five years or as legislation, institutional policy, or operational requirements change.
Related Policy	1). Student Business Services Handling of Cash and Cash Equivalents Policy; 2.) 5.17 Handbook of Operating Procedures Handling of Cash and Cash Equivalents and HOP Section 5.17 D2 – Petty Cash Funds; 3). The University of Texas System - UTS 166 Cash Management and Cash Handling Policy.
Questions	Contact Student Business Services or the Cashier's Office before accepting payments or establishing a cash handling location.

Purpose and approach. This procedure is intended to give every area a clear, consistent path for handling payments safely, accurately, and in alignment with University and Hospital expectations. Most payments should be directed to the Cashier's Office whenever possible. When an operational need requires a department, clinic, hospital, or other facility to collect funds directly, that area must be authorized, trained, and prepared to protect University and Hospital funds from the moment they are received until they are deposited.

Our goal is not to make the process harder. Our goal is to make sure every area has the support, documentation, and internal controls needed to receive payments responsibly and consistently. If there is any uncertainty about whether an area should accept a payment, establish a change fund, transport a deposit, or report a discrepancy, please pause and contact Student Business Services or the Cashier's Office before proceeding.

1. Definitions

Term	Definition
Cash	U.S. currency and coin.
Cash Equivalents	Money orders, traveler's checks, cashier's checks, certified checks, credit/debit cards, gift cards, and wire transfers.
University or Hospital Funds	Cash, checks, cashier's checks, money orders, traveler's checks, credit/debit cards, gift cards, wire transfers, and any other funds received on behalf of the University or Hospital.

Cash Handling Department	A University or Hospital operating unit is authorized to collect funds and deposit those funds to the Cashier's Office.
Cashier's Office	The operating unit from which collections are deposited directly to the University's or Hospital's bank accounts.
Change Fund	A fund used only to provide change while processing authorized collections. A change fund may not be used for purchases, loans, petty cash, or cashing checks.
Custodian (Cash Handler)	The individual appointed by the Chief Financial Officer (CFO) or designee to safeguard assigned University funds and ensure the related collection, balancing, reporting, and deposit responsibilities are completed.

2. Scope and General Requirement

- All payments to the University or Hospital should be made through the Cashier's Office whenever possible. Cashier's Office are located at:
  - Academic Campus: STE 230, Stations 1 or 2.
  - Health Science Center: Riter Center Room 126.
- A department, clinic, hospital, or other facility may collect payments only when there is a documented operational need and the area has been authorized by the CFO or designee.
- Payments delivered inadvertently to a department or location that is not intended to receive them must be taken to the Cashier's Office within one business day of receipt.
- No area should begin accepting payments until authorization is complete, required training has been provided, and department-specific written procedures have been approved by Student Business Services.

3. Establishing or Renewing a Cash Handling Department

Before collecting any University or Hospital funds, the department or location must complete the authorization process below.

1. **Identify the operational need:** The department, clinic, hospital, or facility should document why payments cannot appropriately be made at the Cashier's Office and where the collection activity will occur.
2. **Complete the Department Cash Handling Request Form:** A staff or faculty member, in coordination with the department's budget authority, initiates the Department Cash Handling Request Form through DocuSign. The form must identify the location, justification, responsible parties, requested change fund if applicable, and any requested deposit schedule exception.
3. **Obtain required approvals:** The form routes to the budget authority, Director of Student Business Services, and CFO or designee. Collection activity may not begin until approvals are complete.
4. **Schedule training:** After the signed form is received by the SBS Coordinator, cash handling training will be scheduled for employees designated to accept payments.
5. **Maintain documentation:** Student Business Services maintains the signed form. A duplicate routes through DocuSign to the document custodian. The department must maintain its local documentation file as described in Section 4.

4. Required Department Documentation File

Each authorized cash handling area must maintain a current documentation file that includes:

- Procedure for Handling Cash and Cash Equivalents for all Academic Departments and Hospital Clinical Areas (This Document).
- A record of Cashier's Office training for each employee designated to accept payments.
- Documentation of the custodian, cashiers, cash drawer amounts, change fund amount if applicable, safe or receptacle information, and any approved exceptions.
- Acknowledge at the bottom of this document that you have been provided the following links:
  - University's Handbook of Operating Procedures Handling of Cash - https://uttyler.policystat.com/policy/token_access/a479f450-1c82-4b56-ad5f-b4d0fc75cd87/
  - Cash Equivalents and UT System's UTS 166 Cash Management and Cash Handling Policy - https://www.utsystem.edu/sites/policy-library/policies/uts-166-cash-management-and-cash-handling-policy.
  - Student Business Services Procedure for Handling of Cash and Cash Equivalents – this form.

5. Roles and Responsibilities

Role	Responsibility
Budget Authority	Coordinates with the department to document the need for cash handling and approves the request before it routes to Student Business Services and the CFO or designee.
CFO or Designee	Authorizes cash handling locations, appoints custodians, approves exceptions, and maintains required safe registration and combination information.
Student Business Services	1). Maintains approved request cash handling documentation. 2). Coordinates & conducts cash handling training. 3). Coordinates & conducts audits for each department or clinic. 4). Supports departments in applying required controls.
Cashier's Office	The operating unit from which collections are deposited directly to the University's or Hospital's bank accounts.
Custodian	Safeguards the assigned University or Hospital funds and is responsible for collection, balancing, reporting, disbursement, change fund oversight, and discrepancy review.
Cashier / Cash Handler	Accepts University or Hospital funds only as authorized, follows required procedures, balances and closes their assigned drawer, protects funds from loss, and immediately reports loss, theft, or suspected counterfeit currency.
Supervisor	Ensures cash handlers follow approved procedures, reviews discrepancies, escalates concerns, and supports required reporting.

6. Cash Handling Location Requirements

- Provide adequate working space for each cashier to maintain control of the cash handling process.
- Provide a secure area for balancing operations and deposit preparation.
- Maintain security and appropriate separation between cash handlers and customers.
- Designate at least one individual (two if possible) as cashier(s) for each authorized area.
- Ensure only the assigned cashier and the custodian have access to the assigned cash drawer.

- Do not share cash drawers. Each cashier must have a separate drawer.

7. Training Requirements

Before performing any cash handling function, every custodian must receive cash handling training. Training must include, at a minimum:

- Types of negotiable instruments that may be accepted.
- Proper receipting requirements.
- Proper handling of checks.
- Proper handling of coin and currency.
- Identification and handling of suspected counterfeit currency.
- Reporting expectations for overages, shortages, loss, theft, and other concerns.

8. Change Funds

- A change fund may be established only when approved as part of the cash handling authorization process.
- The change fund must be established by check only from the department's budgeted funds. If approved, the department processes a PeopleSoft voucher payment document using account code 10010.
- **For the Academic Campus**: The check is made payable to the custodian and may be cashed at Chase Bank at the Troup Highway and Shiloh Road branch, or another Chase Bank location, with campus ID. **For the Health Science Center Campus:** The check is made payable to the University of Texas at Tyler HSC, Attention: Cashier's Office and the cashier will cash the check at the Telco Plus Credit Union, located on the north campus.
- The change fund may be used only to provide change in the normal course of authorized business activity.
- The change fund may not be used for cash purchases, employee or student loans, petty cash, cashing personal checks, cashing payroll checks, or cashing expense checks.
- Cash receipts may not be used to increase the change fund. No department may establish petty cash from cash receipts.

9. Daily Cash Handling Procedure

1. **Open the drawer:** Confirm the assigned drawer and beginning cash balance. Only the assigned cashier and custodian may access the drawer.
2. **Accept authorized payment types only:** Accept only the payment types approved for the department, clinics and only for approved University and Hospital business activity.
3. **Issue sequentially numbered receipts:** Use sequentially numbered receipts for all transactions. If system reports are used, they must support daily audit and balance.
4. **Require photo identification for over-the-counter checks:** Photo identification is required for receipt of all over-the-counter checks.
5. **Endorse checks as required:** For the Cashiers' Offices, checks must be endorsed with the university's name and bank account upon receipt. If immediate endorsement is not operationally possible, checks must be endorsed before the cash drawer is closed and balanced.
6. **Secure funds throughout the shift:** Cash and cash equivalents must never be left unsecured or unattended.
7. **Close terminals:** All computer and credit card terminals must be closed out at the end of the cashier's shift or at the end of the business day.
8. **Balance the drawer:** Cash drawers must be balanced and closed at the end of each cash handler's work period unless an exception has been authorized by the CFO or designee.

9. **Document overages and shortages:** All overages and shortages must be reported to the custodian's supervisor at daily closing and documented during the balancing process.
10. **Prepare the deposit summary:** Prepare a deposit summary showing the amount of funds, breakdown of funds, accounts to be credited, and identification of the depositor.
11. **Verify the deposit:** All deposits must be verified twice, preferably by two individuals.
12. **Submit or prepare the deposit:** Deposits must be made or prepared for next business day deposit within one business day, unless an approved exception applies.

10. Deposit Requirements

- Deposits must be documented with copies of the deposit submitted to the Cashier's Office.
- All deposits must be balanced daily to receipts or electronic downloads from the bank, as applicable.
- All monies received totaling $500.00 or more must be deposited with the Cashier's Office within one working business day of receipt.
- Departments or locations for which daily deposit is not cost effective must request the exception on the original cash handling request form. If approved by the CFO or designee, deposits must still be made at least twice weekly.
- Deposits should be transported in the secure and tamper-proof manner provided by the Cashier's Office.
- Student Business Services recommends requesting a Campus Police escort when a department believes it has a large deposit. The department may contact Campus Police to arrange the escort.
- Campuses and Clinics that make physical bank deposits, must provide a digital copy of the deposit to the Cashier's Office.

Specific Bank Deposit Requirement: Deposits of physical checks and cash to the bank must be made in secure bags with identifying deposit slips indicating the amount and location of collection and tracking. Cash, physical checks, and receipts should be transported in tamper-proof bags.

11. Physical Security Requirements

- Cash and assets must never be left unsecured or unattended.
- Funds must be physically protected in safes, locked cash drawers, locking cash registers, cashier cages, locked metal boxes, or locked drawers at all times.
- Safes and drop safes should be bolted in place. Small receptacles should be secured in locked areas.
- Combinations or keys for cash receptacles may be maintained only by designated custodians and supervisors.
- Safe registration information and combinations must be reported to and maintained by the CFO or designee. Combinations must be reported under seal and are subject to audit.
- Security codes and PINs must be assigned to individual cashiers for computerized systems. Shared codes or PINs should not be used.
- Code or PIN listings should not be maintained on any web-based system in order to avoid unauthorized release of information.

12. Overage, Shortage, Theft, Loss, and Counterfeit Currency

Overages and shortages

- All overages and shortages must be reported to the custodian's supervisor at daily closing and documented in the balancing process.

- Overages or shortages of $25 in a single incident, or $25 in aggregate for a one-month period by a cash handler, must be investigated by the custodian and supervisor and may result in disciplinary action up to and including termination.

Theft or loss

- Upon discovery of a possible theft or loss of funds more than $25 in a single incident or in an aggregate during a month period, the supervisor/custodian shall make a verbal report to the campus police and the CFO or designee before close of business followed by a written report within one business day.
- Student Business Services or Audit Services and the police will conduct an interview before the close of the business day if possible, and definitively within one business day.

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Counterfeit currency

- All counterfeit currency must be confiscated and segregated immediately by the cashier.
- If a counterfeit note is discovered after acceptance as tender for the transaction, it must be segregated by the cashier and the account must not be credited.
- A Counterfeit Note Report must be filed with the United States Secret Service within one business day.
- The cashier/custodian must make a complete description of the passer immediately following the transaction in accordance with United States Secret Service procedures.

13. Audit and Review

- All change funds and other cash on hand are subject to periodic, unannounced cash counts by Student Business Services and/or Internal Audit.
- The UT Tyler Institutional Audit Committee may request an operational audit of any area with a change drawer at any time.
- Audit Services periodically review department processes to ensure an effective system of internal controls has been developed and implemented.

14. Quick Reference Checklist for Departments and Clinics

☐ Do not accept payments unless the area is authorized to do so.

☐ Direct payments to the Cashier’s Office whenever possible.

☐ Maintain a copy of this Procedure for Handling Cash and Cash Equivalents.

☐ Ensure all cash handlers are trained before accepting payments.

☐ Use one cash drawer per cashier; do not share drawers.

☐ Use sequentially numbered receipts or system reports for all transactions.

☐ Require photo ID for over-the-counter checks.

☐ Secure funds at all times; never leave cash or cash equivalents unattended.

☐ Balance and close drawers at the end of each shift or work period.

☐ Document and report all overages and shortages.

☐ Verify deposits twice, preferably by two individuals.

☐ Deposit or prepare deposits within one business day unless an approved exception applies.

☐ Report suspected theft, loss, or counterfeit currency immediately.

15. Support

We understand that operations look different across campus and clinical environments. If your area needs to collect payments, Student Business Services and the Cashier's Office will help you apply the required controls in a way that fits the approved business need. Please reach out before changing your process, adding a collection point, changing custodians, changing drawer amounts, or accepting a payment type that is not already approved for your area.

16. Department Information

Department Name: ____

Department Six-Digit Number: ____

Will Your Department Use a Change Fund: yes or no

If yes:

- How many change funds (cash handlers) will be needed: ___________________________
- Name of each custodian/cash handler and amount of change fund:

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Total Amount for all change funds for Department: _____________ (not to exceed $100 per fund)

Department Supervisor's Signature: ____

Date: ______________________