I. **Policy**

Effective internal controls will be implemented to assure that remittances tendered by students and patrons of John Brown University are credited to their account, deposited in the University’s bank account, and are reflected in the appropriate control accounts of the General Ledger. The objectives of this policy are to:

- Prevent loss or theft of University assets;
- Maximize protection of employees or volunteers to be accused of embezzlement or theft; and
- Provide information to accurately report University activities.

II. **Scope**

The University receives remittances for tuition, room, board and other billings, gifts, and other transactions. These remittances may be in the form of cash, check, credit card, and electronic funds transfers at locations on and off campus.

Employees in the departments that have been authorized to receive such remittances are responsible for 1) the safeguarding and accurate accounting for these assets while in their possession, and 2) for adherence to this policy and its accompanying procedures.

The Bursar’s Office is responsible for 1) providing authorization to departments and employees for the handling of these assets and related cash funds, 2) evaluating and approving all procedures, and 3) controlling the receipting and bank deposits for all remittances.

III. **Departmental Remittance Handling Procedures**

A. **Physical control of remittances:**

1. Checks must be made payable to John Brown University, but may also include the name of a University program or department. Checks drawn on banks outside the continental United States should be made payable to John Brown University in U.S. funds payable through a U.S. bank. Fees or exchange rate adjustments charged to the University due to a check drawn on a foreign bank will be charged back to the respective customer and/or department account accordingly.

2. When received, checks must immediately be restrictively endorsed in ink (stamp or pen) with the words, “For Deposit Only - John Brown University”.

3. Checks **shall not** be cashed out of department cash receipts for the accommodation of any University employee or students. Persons handling University cash shall not cash personal checks from these funds.

4. Expenditures **shall not** be made from departmental cash receipts.

5. Cash receipts must be safeguarded during operating hours and locked in a secure fireproof file drawer or safe overnight.

6. Cash receipts must not be left unattended or within reach of the general public or of any University employees that are not directly responsible for remittance handling activities.
7. Secured (sealable or zippered) envelopes or pouches are to be used when transporting cash, checks, and credit card remittances to the Cashier. The envelopes or pouches should be transported in a concealed manner that does not call attention to the contents.

8. Cash and check deposits must be transported to the Cashier regularly as collections merit but no less frequently than the last business day of each week, and no later than the last business day of each month. Exceptions to this direction must be endorsed by the Bursar’s Office and approved by the respective department head.

9. Cash is not withheld from a deposit for a purpose of adding to or creating a change fund.

10. Cashier receipt sessions must be reconciled daily unless the Bursar has approved an alternate schedule.

11. Campus Safety should be contacted for advice or assistance if there is concern regarding the amount of the receipts being transported to the Cashier.

12. No bank accounts may be opened by anyone other than the Vice President for Finance & Administration or the Controller.

B. Reconciliation and accounting for remittances (other than donor gifts)

1. Remittance mail should be opened in a timely manner at least once each business day. An accounting of all cash, checks, and credit card remittances received must be prepared by an employee who does not have update access to the accounting records.

2. A deposit receipt form is to be prepared to batch cash, checks, and credit card slips when they are transported to the Cashier. This form may be obtained from the Cashier. The deposit form should contain the following information:
   a. A description of the nature of the deposit or a specific AR/NARD code.
   b. A General Ledger account number (XX-XX-XXXXX-4XXXXX) and the dollar amount. If there is more than one account number, a total of the two or more amounts must also be shown. Deposits lacking a GL account number will be deposited to the General Institutional miscellaneous income account.
   c. The total of each of cash (coin & currency), checks, and credit card remittances and a deposit total.
   d. The approver’s signature.

3. Deposit forms must be compared to cash, checks, and credit card receipts and initialed by an employee that does not handle remittances.

4. Deposits must be delivered to the Cashier by an employee who cannot update the detail accounting records.

5. The Cashier will record all receipts in the accounting system after verifying the information on the department’s submitted deposit form.

6. The Cashier will deposit checks to the bank via desktop deposit or physical deposit to the bank by the Bursar or designee. Desktop deposit checks are retained 60 days before purging.

7. All detailed documentation supporting billings, receipts, and deposits must be maintained by the department for at least two years.