



# FUNDS HANDLING POLICY

Policy # AF.008.1

Vice President for  
Administration  
and Finance

Responsible Executive: Financial Services

Responsible Office: 5/27/2022

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## I. Policy Statement

This Policy governs the process of handling University of Louisiana at Lafayette (“University”) Funds.

## II. Purpose of Policy

The purpose of this Policy is to define the University’s Funds Handling process and to outline the procedures for the Collection Points of the University, including the responsibilities of University Employees involved with the Funds Handling process.

### A. General Information

1. University areas and departments/offices in a Funds Handling capacity shall be committed to strong internal controls of the Funds collection process to prevent the mishandling of Funds and safeguarding against loss. **Internal controls related to Funds collection receipts are the business practices established to ensure all Funds received are actually deposited in the bank and recorded in the accounting system.** Each area or department/office is required to follow the Procedures herein (see Section V) and establish unit procedures that include separation of duties and month-end reconciliations which are the key business processes used to ensure the safeguarding of Funds collection receipts.
2. All Employees involved with any functions of Funds Handling will be responsible for adhering to this Policy, their area’s or department’s/office’s unit procedures, all other policies of the University, and the laws and regulations of the State of Louisiana. Should an Employee violate this Policy or the laws and regulations of the State of Louisiana, said Employee may be held accountable for misuse, misconduct, or mismanagement of Funds.
3. The University’s Internal Audit Department and/or the Louisiana Legislative Auditor may conduct audits of any of the Collection Points of the University.

4. Upon notification from the Office of Financial Service, all areas or departments/offices of the University will be required to complete a [Funds Handling Questionnaire](#) periodically as part of the ongoing review process of the Collection Points of the University.
5. This Policy must be followed in all circumstances, unless the area or department/office requests and is granted permission in writing from the Office of Financial Services to modify the guidelines found within. Such requests for modifications of guidelines must be made in writing via email to [angie.smith@louisiana.edu](mailto:angie.smith@louisiana.edu) or intraoffice mail to the Office of Financial Services.

## B. Additional Information

Additional information regarding this Policy can be obtained from the Office of Financial Services website: <http://financialservices.louisiana.edu>.

## III. Applicability

This Policy is applicable to all University areas, departments, offices, Employees, and students who are involved with the collection of University Funds or wish to collect Funds for or on behalf of the University.

## IV. Definitions

1. **Collection Point:** is an area within the University community in which a service or product is provided and Funds are accepted and collected by an individual within the University.
2. **Depositor:** is the individual responsible for verifying/re-adding the Funds, verifying and comparing the customer receipts and/or source documents, and making the deposit of Funds.
3. **Deposit Receipt:** is a multiple copy document used to list the funding distribution for Funds received and for entry into the accounting system.
4. **Employee:** is any University employee including faculty, staff, administrators, and student employees, including hourly, salary, part-time, and full-time employees.
5. **Funds:** are coins, currency, checks, money orders, traveler's checks, credit cards, debit cards, and electronic funds transfers (i.e., Wires, ACH, and EFT).
6. **Funds Collection Request:** is the document used by areas and departments/offices to obtain authorization to become a Collection Point of the University.
7. **Funds Handling:** is the process of accepting and collecting Funds from an individual (i.e., Employee, student, customer, etc.), a state agency, a private or public company, etc.
8. **Funds Handler:** is the individual responsible for receiving the funds, recording the payment, and preparing the Deposit Receipt.
9. **Funds Handling Questionnaire:** is the document used by the Funds Handling Compliance Accountant to review the Funds Handling procedures of the various areas and departments/offices of the University.
10. **Reconciler:** is the individual responsible for performing monthly departmental reconciliations of Funds.

## V. Policy Procedure

### A. Unit Procedures

A set of written procedures for each area or department/office for processing Funds Collection receipts must be established and approved by the area's leadership or department's/office's department head and forwarded to the Funds Handling Compliance Accountant via email ([angela.smith@louisiana.edu](mailto:angela.smith@louisiana.edu)), intraoffice mail, or by hand delivery. The area or department/office procedures should be written in detail outlining each step in the Funds Handling process for: the department head, director, dean, or supervisor/manager; the Funds Handler; the Depositor; and the Reconciler. The unit procedures should also include the security of Funds during the workday and storage for overnight safekeeping.

1. Deans, directors, department heads, and supervisors/managers are responsible for implementing, maintaining, and ensuring compliance with these unit procedures and this Policy.
2. All Employees involved with the Funds Handling process must be properly trained in this Policy, their specific unit procedures, and be familiar with the University policies and laws and regulations of the State of Louisiana which apply to Funds Handling.
3. Areas or departments/offices which do not comply with this Policy may lose the privilege of Collecting Funds, as determined by the Vice President of Administration and Finance.

### B. Request and Approval to Become a Collection Point of the University

Any area or department/office accepting Funds or which wishes to accept Funds is required to obtain written approval from the Office of Financial Services before becoming a Collection Point of the University.

To begin the process of becoming a Collection Point, a Funds Collection Request Form must be completed and submitted to the Funds Handling Compliance Accountant per the directions on the Form.

### C. Deposits and Account Balances

1. Areas or departments/offices accepting Funds on a **regular basis** (i.e., three (3) or more days per week) are required to make deposits daily.
2. Areas or departments/offices with **casual collections** of funds (i.e., occasional refunds, reimbursements, rebates, etc.), deposits must be made each Friday, the last business day of the week, or as soon as cumulative funds reach One Hundred Dollars (\$100.00) or greater. All accumulating cash customer receipts totaling One Hundred Dollars (\$100.00) or more must be deposited within twenty-four (24) hours from the time of reaching this limit.
3. Areas or departments/offices not required to or electing not to deposit daily assume more risk and are required to apply and include acceptable safeguards within its unit procedures. Any questions regarding acceptable safeguards should be directed to [angela.smith@louisiana.edu](mailto:angela.smith@louisiana.edu).
4. Areas or departments/offices that wish to process their own credit card payments and areas/departments/offices that wish to accept credit card payments and have it processed by departmental cashiers must follow all Office of Financial Services policies, procedures, and rules. Areas or departments/offices processing only credit cards must deposit funds on a weekly basis, at a minimum.

5. Revenues collected by an area or department/office **may not be used** to cash personal checks, third party checks, or to make purchases.
6. Daily customer receipt documentation must be retained in accordance with the department's/office's retention schedule.
7. All customer receipts must include, but are not limited to, the following information:
  - a. The date received;
  - b. The dollar amount;
  - c. A receipt number;
  - d. Type of Funds;
  - e. Name of the person paying for the transaction;
  - f. Description of the service or product;
  - g. Name of the area or department/office collecting the Funds; and
  - h. Name of the Funds Handler.

The customer receipt can be electronically generated (i.e., Quickbooks) or manually generated (i.e., receipt book – pre-numbered, multiple-copy). Unused customer receipts must be maintained in a secure location.

8. All checks received by the area or department/office must be recorded on a check receipt log (see [Check Receipt Log Template](#)) or equivalent log approved by the Funds Handling Compliance Accountant. The check receipt log **must**, at a minimum, include the following information:
  - a. The payer of the check (i.e., name of the person/company that issued the check);
  - b. The check number;
  - c. The check date;
  - d. The amount of the check;
  - e. The date the check was received by the area or department/office;
  - f. The deposit date; and
  - g. The Deposit Receipt number (this is a mandatory requirement).
9. All checks must be endorsed immediately upon receipt. The endorsement must include at a minimum:

**“For Deposit Only  
University of Louisiana at Lafayette  
Department FOAP (1234-12345-12345-00)”**

10. The Depositor prepares the deposit by adding up all Funds received, then adding up all customer receipts that were created, and verifying that the two (2) totals agree. Once the amounts agree, the Depositor prepares a Deposit Receipt. These can be obtained from the Funds Handling Compliance Accountant or from departmental cashiers.
11. Monthly departmental reconciliations are to be performed by the Reconciler (i.e., someone other than the person receiving the Funds and the person preparing the deposit). Reconciliations involve comparing each copy of the validated Deposit Receipt to the revenue and/or expenditure transactions listed in the University's accounting system to ensure that all Funds received are properly recorded in the accounting system and deposited into the University's bank account. Electronic reconciliations (i.e., spreadsheets) must be maintained within the area or department/office per that are or department's/office's retention schedule and made available upon request of the Funds Handling Compliance Accountant, Internal Audit, and/or the Louisiana Legislative Auditor.
12. The area or department/office will be responsible for collecting the Funds and corresponding fees from the customer for any checks returned by the University's depository bank for non-sufficient funds, stop payments, or closed accounts.
13. In the case of a loss of Funds or if a supervisor suspects irregularities in the handling of Funds, the University of Louisiana at Lafayette Police Department (337-482-6447) and the Office of Internal Audit (337-482-5337) must be contacted immediately.

## **VI. Enforcement**

The University's Office of Financial Services is responsible for enforcement of this Policy.

## **VII. Policy Management**

Upon adoption, the Vice President of Administration and Finance shall be the Responsible Executive for this Policy. The Assistant Vice President of Financial Services shall be the Responsible Officer for this Policy. The Office of Financial Services is the Responsible Office for this Policy.

## **VIII. Exclusions**

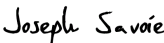
This Policy shall have no exclusions.

## **IX. Effective Date**

This Policy shall be effective as of the date of adoption of this Policy.

## **X. Adoption**

This Policy is hereby adopted on this 5/27/2022.

DocuSigned by:  
  
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**Dr. E. Joseph Savoie**  
**President**

## **XI. Appendices, References and Related Materials**

- ✦ [The Office of Financial Services](#)
- ✦ [Funds Handling Questionnaire](#)
- ✦ [Funds Collection Request Form](#)
- ✦ [Check Receipt Log Template](#)

## **XII. Revision History**

- ✦ Original adoption date: 5/27/2022.