



[TEEX 21.01.02.N0.02] [Payment Collection]

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Summary

A complete and timely accounting of all funds collected must be maintained from the time of collection until final deposit in the TEEX depository bank. There is no authorization for any Division administrative unit to use the funds collected for any purpose whatsoever other than for depositing. In addition, adequate segregation of duties must be maintained within the process for control purposes. No one person should have the ability to accept the funds, log the funds, secure the funds, deposit the funds, register the participant(s) in the TEEXAPPS system and perform the independent review.

An established Revenue Control Procedure TEEX 21.01.02.N0.01 provides the elements necessary for a workable, yet controlled cash-handling environment. These elements include but are not limited to providing proper facilities for securing funds, documenting and transferring funds in a timely manner through a chain of custody and/or daily deposit slip and issuing an official TEEX Payment Receipt.

An official TEEX Payment Receipt with a system assigned transaction number shall be issued for each and every payment of fees, services or other charges. CASHNet is the official receipting system which generates the TEEX Payment Receipt. All Payment Receipts are sequentially numbered by the CASHNet system.

Requirements

Division

The Division will assign personnel responsible for the security of funds and bags while in their custody. Access to money bags, keys and safe combinations should be restricted to those individuals designated by their Division to be the primary and secondary funds custodian. Funds and bags must be kept locked in a secure place (safe, locked cabinet, etc.) until they are routed to the Financial Services Cashier. If the designated individual leaves employment, transfers to another division or changes positions, the safe combinations must be updated or keyed safes must have key controls to ensure access is removed.

Cashier

Cashiers are responsible for the timely issuance of receipts for all payments through the CASHNet Cashiering system. Cashiers must follow all the procedures outlined

below. All Payment Receipts will be tracked and monitored. Any Cashier with a high volume of voided Payment Receipts will be required to obtain approval from Financial Services or Division Business Office prior to any subsequent voids and additional training may be deemed necessary.

Checks received at a designated Cashiering location will be imprinted with the TEEX endorsement. Checks include business checks, personal checks, cashier checks, money orders, bank drafts, traveler's checks and other forms of negotiable banking instruments presented for payment.

Only cashiers who have received cash handling training by Financial Services can collect and process cash payments. Adequate segregation of duties must be maintained where cash is being collected. The cashier must **not** be able to conduct all tasks: receive the cash, secure the cash for transfer to Financial Services, deposit the cash, apply the payment to student accounts or financial system, register or invoice the customer and perform the independent review.

The fund transfers must be documented during each step of the check and cash collection process. This establishes a chain of custody. The primary occurrence of the funds transfer between Cashiering Locations and Financial Services Cashier will be documented through the use of a CASHNet Daily Deposit Report to track all funds received through walk-ins, mail, phone or fax at the Division. Money bags containing the funds collected will be transported and tracked by the money bag log recording the transfer from the Division to the TEEX Mail Carrier to Financial Service Cashier. The transfer process is completed when the funds are received by Financial Services. Mail-in payments received and processed at TEEX HQ will not be transferred to the divisions under any circumstances.

Non-Cashiers

It is the responsibility of the TEEX employee collecting any check to endorse it immediately upon receipt. Checks received away from designated Cashiering locations must be endorsed manually. Checks include business checks, personal checks, cashier checks, money orders, bank drafts, traveler's checks and other forms of negotiable banking instruments presented for payment.

The fund transfers must be documented during each step of the check and cash collection process. This establishes a chain of custody. For funds collected away from TEEX designated Cashiering Locations, preliminary steps in the collection process are subject to the documentation requirements by use of the [TEEX Chain of Custody Form \(FS-04\)](#). Examples include, Instructors receiving monies away from the Division Business Office and transfers between custodians within the Division.

PROCESS:

1. All checks must be endorsed on the back on the endorsement line left end in the space designated for endorsement. Interim Endorsement may be typed, rubber stamped, or hand printed in ink as follows when checks are accepted away from TEEX Business Offices:

FOR DEPOSIT ONLY

Texas A&M Engineering Extension Service

- 1.1 All checks must ultimately be processed and endorsed through the CASHNet Cashiering application and Wells Fargo Desktop Deposit website.

- 1.2 Traveler's checks must also be countersigned by the check holder and endorsed by the receiving department on the face of the traveler's check.
2. Instructors collecting funds must remit all monies the same day they are collected by U.S Mail or overnight services. [TEEX Chain of Custody Form \(FS-04\)](#) must accompany the funds collected. **Cash must not be mailed.** All cash must be converted to cashier's check or money order prior to mailing. TEEX employees will be reimbursed for the charges associated with the purchase of the money order. All mailings containing monies will be opened by Financial Services Mail Processing area, entered into CASHNet Cashiering application and promptly deposited.
3. Regional Offices collecting funds must remit to the Financial Services Mail Processing area by overnight services daily. [TEEX Chain of Custody Form-\(FS-04\)](#) must accompany the funds collected. Cash must not be mailed. All cash must be converted to cashier's check or money order prior to mailing. TEEX employees will be reimbursed for the charges associated with the purchase of the money order. All mailings containing monies will be opened by Financial Services Mail Processing area, entered into CASHNet Cashiering application and promptly deposited.
4. Mail must be received and opened in the designated secure location at TEEX HQ and entered into the CASHNet Cashiering application. If mail cannot be opened immediately it should be locked in the secure location pending processing. All check payments received by mail will be entered into the CASHNet Cashiering application and coded based upon the approved division Project/Task/OCC. Deposits will be made daily.

4.1 The Mail processing area will consist of a Financial Services representative with designated access to the secure location, locking document bags, and keys. The Mail Processing area strictly endorses all payments and enters each item in the CASHNet Cashiering application, prints the necessary Payment Receipts, performs daily deposit check-outs and runs required Division Deposit Recap reports. The area also scans and creates Wells Fargo deposits.

4.2 The Financial Service-Cashier oversees contents of Financial Services safe pertaining to payment collections and refunds, verifies all CashNet Deposits are completed by the posted deadline and submits any Wells Fargo deposits electronically or by courier.

4.3 Supporting documentation received with each payment and Division Deposit Recap Report is secured in a pre-numbered locking document bag and tracked by means of the document bag log. Each bag is transported to the designated Division employee who will distribute the documentation accordingly. Division staff is responsible for allocating payments to the appropriate project/task/OCC based upon TEEXAPPS entry. Non-TEEXAPPS payments will be coded based upon division's pre-determined item codes as entered by the Financial Services Mail Processing area.

5. Payments received from walk-in customers at division offices should be directed to the designated Cashiering Location. All payments must be entered into the CASHNet Cashiering application by the Division Cashier or their designated backup.

5.1 The Division Cashier is an assigned division representative (Budgeted Staff) with designated access to money bags, keys and the safe. The Division Cashier ensures that all payments are strictly endorsed and enters each item in the Cashiering application, prints the necessary Payment Receipts for the customer, and performs daily deposit check-outs by 3:00 pm. The Division Cashier submits all non-converted monies (cash and checks) and Daily Deposit Form to Financial Services Cashier by locked money bag. All cash collections must be assigned to a pre-numbered Wells Fargo deposit slip. Financial Services will allocate deposit slips to the divisions.

5.2 The Division-Cashier ensures that all funds collected for deposit are secured within the Division's locking safe until custody is transferred to the TEEX Mail Carrier or Division personnel for transport to Financial Services.

5.3 Supporting documentation received with each payment is distributed accordingly. Division staff is responsible for allocating payments to the appropriate project/task/OCC based upon TEEXAPPS entry. Non-TEEXAPPS payments will be coded based upon division's pre-determined item codes as entered by the Division Cashier.

6. Funds collected must be delivered to the Financial Service Cashier by Division personnel or through the TEEX Mail Carrier by locked bank bag, if the cash does not exceed \$2,500. Funds totaling \$2,500.00 to \$4,999.99 must be transported by at least two personnel. Funds in the amount of \$5,000.00 or more must be accompanied by a security guard and or courier service. All funds, including checks, cash, money orders, signed credit cards, etc. will be transmitted in locked bank bags only along with the Daily Deposit Form and Wells Fargo deposit slip. The TEEX Mail Carrier will not accept a bag that is unlocked. The TEEX Mail Carrier will sign for the bag number prior to accepting the bag. The Financial Service Cashier signs for all money bags delivered by the TEEX Mail Carrier. When a deposit is hand carried to the Financial Service Cashier that includes cash, the employee delivering the deposit will stay until the cash is verified. The Financial Service Cashier and the employee will initial the CASHNet Daily Deposit Report confirming the cash amount. All Bank bags received in Financial Services will be opened with two employees present. If the bag contains cash, each employee will count the cash and initial the CASHNet Daily Deposit Report verifying the cash amount.
7. Cash and check payments equaling or exceeding \$500.00 must be remitted to Financial Services daily (cash equaling or exceeding \$5,000.00 must be accompanied by a security guard). All cash bills in denominations over \$10.00 must be marked with a currency pen at the time payment is received from the customer. Any questionable bills should be returned to the customer and an alternative method of payment requested. All cash collections must be assigned to a pre-numbered Wells Fargo deposit slip. The tracking number is entered in CASHNet during the checkout process.

8. If in a 12-month period, TEEX receives more than \$10,000.00 in cash, traveler's checks, cashier's checks and or bank drafts from one buyer (customer) as a result of a transaction, TEEX must report it to the Internal Revenue Service (IRS) and the Financial Crimes Enforcement Network (FinCen) on [IRS Form 8300](#) within 15 days of receiving the payment. CASHNet Cashiering will provide a link to the form based upon customer's historical data. The form must be completed by the Division receiving the funds in the presence of the customer. The customer must sign the form before the division can submit the document to Financial Services Cashier. Financial Services will review the form and send to the IRS. Single unit traveler's checks, money orders, cashier's checks or bank drafts with a face amount of more than \$10,000.00 are excluded from this filing requirement.

Quality Assurance Measures (Required)

- Financial Services tracks all assigned Payment Receipts. Voided receipts will be initiated by Financial Services and monitored monthly.
- Financial Services conducts an annual review of CASHNet cash and check deposits to ensure funds are received and deposited in accordance with System policies.

Related Statutes, Policies, or Requirements

All funds must be transferred to Financial Services within 1 business day of receipt so that deposits to the local depository bank can be made within 7 days of the original date of collection as required by [Section 51.003 of the Texas Education Code](#).

Supplements [System Policy 21.01](#), [System Regulation 21.01.02 Receipt, Custody and Deposit of Revenues](#), [Texas Education Code Section 51.003](#), [IRS Publication 1544 Reporting Cash Payments of Over \\$10,000.00](#) and [TEEX SAP 21.01.02.N0.01 Revenue Controls](#).

Office of Responsibility

Financial Services
[(979) 458-6903]