

PRAIRIE VIEW A&M UNIVERSITY
Administrative Procedures Manual

21.01.02.P0.01 Cash Receipts

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Supersedes: 30.01

1. Definitions

Revenues - the University has two general types of revenues. One is income received by the University in payment of things such as state appropriations, student fees, student fines, grants and contracts, sales and services, investment income or gifts. The other is interdepartmental sales and services for things such as rent, utilities, or other services provided by one department to another. Revenues are recorded by account and classification of revenue. A complete listing of the types of income received is provided in the FAMIS Revenue Codes List.

Refunds - reimbursement of expenses paid. Often this is the result of damaged or returned goods. Note: These are not revenues but rather reductions to expenditures.

2. Receiving Funds

To the extent possible, the University encourages funds to be received and recorded directly by the Cashiers Office. However, it is recognized that this is not feasible in all cases, especially for things such as gift income. If a department receives funds, it must develop cash collection procedures and it must obtain approval of these procedures from the Vice President for Finance & Administration. All funds received must be deposited with the University's Fiscal Office. [See System Policy 21.01.02]

3. Recording of Revenues

All income received from outside the University will eventually be received and receipted at the Cashier's Office. Revenues are recorded as follows:

- 3.1 **Student Fees** - assessed through the student information system (SIS+), generally when the student enrolls. Revenues are recorded to the respective income accounts on a monthly basis. Detail transactions can be obtained upon request.
- 3.2 **Student Fines** - assessed through the student information system as billing requests are received from the billing department (e.g. Library Fines, Housing Fines). Revenues are recorded in same manner as student fees and detail is also available upon request.
- 3.3 **Grants & Contracts** - there are two types of grants and contracts: cost reimbursable and advance payments. Most of the grants and contracts received by the University are on a cost reimbursable basis. Revenues on cost reimbursable grants are recorded with a journal entry at the time the granting/contracting entities are billed for expenses incurred, which should be done monthly. Revenues on advance payment grants and contracts are recorded with a cash receipt at the time the funds are received.
- 3.4 **Sales & Services** - sales and services to outside entities or individuals are recorded by cash receipt when payment is received (e.g. transcripts) or by billing invoice when a billing is issued (e.g. parking fees and fines). Sales and services between departments are recorded by journal entry upon receipt of a billing and IDO.
- 3.5 **Gifts** - generally, gifts should be processed through the Institutional Development Office prior to submission to the Fiscal Office. [See Section 30.02] The Institutional Development Office prepares a Gift Grant Transmittal Form, identifying key donor and gift account information, and submits to the Controller's Office. A cash receipt form is prepared by the Cashier's Office for each gift check received.

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- 3.6 **Refunds** - since refunds are generally not revenues, they should be receipted and recorded against the same account and expense code that the original payment to the vendor was charged to. If this cannot be reasonably identified, then it is appropriate to record the refund income code.

All cash receipts are posted by receipt number into the referenced FAMIS account by revenue code. The cash receipt numbers should assist departments in reconciling the activity on their accounts and the income codes are intended to assist in tracking and reporting of various types of revenues. Departments should review these closely to ensure that all revenues are booked to their accounts and booked correctly.

4. Issuance of Cash Receipt

The Cashier's Office prepares a cash receipt form indicating who the funds were received from, the amount and what the funds were for (i.e. type of revenue). Except for payments received for student fee assessments, the cash receipt form issued is pre-numbered and the receipt number is referenced when entered into FAMIS. Student Fee Receipts are generated by the Student Information System and are not pre-numbered. Generally, a copy of the receipt is provided to the individual making the deposit or payment. Departments making deposits at the Cashier's Office should ensure that:

- a. they provide the cashier with a proper description of the funds deposited
- b. they receive a cash receipt form for the funds deposited
- c. the cash receipt form received is properly completed

5. Personal Checks

The University accepts personal checks for payment of amounts owed to the University and for gifts; however, it does not accept personal checks for the purpose of cashing them.

Contact: Receipts or revenues from outside the University - Head Cashier
 Inter-departmental revenues or student fee assessments - Manager of Accounting