THE UNIVERSITY OF TENNESSEE

System-wide Policy: Procedure for FI0310 - Receiving and Depositing Money	
Version: 1	**Effective Date: 01/22/2025**

Objective

This document states the University's procedures that departments must follow when receiving and depositing money.

Scope

This procedure applies to all departments that receive money.

Procedure

I. Recording Money Received

A. When a department receives money, the department must record the money in the University's online receipting system.

B. Departments that utilize receipt books:

1. Departments must clearly indicate the amount that the customer or payor provided to the University.
2. Users of the online receipting system are not permitted to void receipts once parked. Receipts are only able to be voided by a separate administrator of the online receipting system.
3. Departments will enter all amounts reflected in the receipt book into the online receipting system. Additionally, a reconciliation must be performed between the receipt book and the online receipting system.

C. Departments that are unable to issue receipts:

1. If a payor must transact in currency and the department cannot issue an acceptable receipt, the department must complete a form T-33 in duplicate for each receipt of currency and must provide an employee to accompany the payor to the applicable central cashier to obtain a receipt.
2. The applicable central cashier will issue a receipt and deposit the currency payment.
3. The department must record the receipt number on the department's copy of the T-33 form and the department will maintain the completed T-33 for the department's records.

II. Cash Register Procedures

A. When staffing levels permit, access to cash drawers must be limited to one employee per cash drawer.

B. Employees must never clear cash registers that have resettable cumulative totals. If a cash register came with a "clear" key, the department must place that key in the

custody of a department employee who has no monetary responsibilities and does not operate the cash register.

C. Cash-register tapes:

1. Departments must retain cash-register tapes, readings, and reports for the duration stated in FI0120 – Records Management.
2. The University recommends that departments who operate cash registers follow these best practices:
   - i. Departments need to organize their cash-register records in chronological order.
   - ii. Departments must ensure that the beginning and ending readings for each tape is the first item (beginning) and last time (end).
   - iii. Departments must never break tapes.
   - iv. Departments must aim to leave at least two inches of blank tape before the first reading and two inches of blank tape after the last reading. The date of the transactions and the cashier's name must be written at the end of the tape.
   - v. If the cash register prints transaction numbers on the tape, departments must ensure that tapes show consecutive transaction numbers.

III. Preparing Bank Deposits

A. Departments must follow the steps below when making a deposit:

1. For each deposit, departments must either:
   - i. complete a deposit ticket in triplicate; or
   - ii. submit the deposit via the remote deposit capture ("RDC") system
2. Departments must ensure that the deposit check is properly endorsed and listed on the deposit ticket with sufficient information to identify the payor (e.g. payor's name, receipt number, etc.) and the amount. When the department submits the deposit ticket to the bank for deposit:
   - i. The original deposit ticket goes with the deposit to the bank.
3. The other copies are to be maintained in the department's files.If a department employee delivers deposits directly to the campus central cashier, the money must be in a locked or sealed bag, or the department must ensure that the cashier's office counts the money before the department staff member leaves the central cashier's office. The printed deposit document (of a copy of Form T-33) will accompany the deposit. The central cashier will stamp the document and return it to the department

staff member. The staff member will ensure that the department keeps the documentation in the department's files.

4. On a regular basis, department must verify that their deposits are credited to the appropriate account number, as indicated on the deposit document or Form T-33.

IV. Deposit Document (or Report of Department Collections, Form T-33)

A. Departments must enter deposit information into the University's online receipting system, excluding sponsored-projects receivables.

B. The online receipting system will post the entry to the University's ERP System.

C. The department must ensure that the Report of Departmental Collections (Form T-33) indicates the date of the receipt(s); official receipt number(s); payor's name; description of items covered; amount; deposit ticket number; general ledger account number(s); and account number to be credited.

V. Transporting Deposits and Change Requests by Security Officers

A. Before a department provides a deposit to a security officer, the department must follow the steps below:

1. If the transmittal is for deposit (one way), the security officer will sign and date the printed deposit document (or original Form T-33) or other document.
2. If the transmittal is for change (round trip), the department will maintain a log that the security officer will sign upon pickup and return of the change bag.

B. The steps above acknowledge only the receipt of the money bag or envelope. Departments are responsible for the contents of the bag or envelope agreeing with the amount to be deposited or exchanged.

VI. Refunds

A. Departments must ensure that each refund is supported by documentation that includes, at a minimum:

1. the name of the person, institution or company receiving the refund (original payor)
2. the mailing address
3. the reason for the refund
4. the University receipt number or deposit information of when the money was originally received
5. the dollar amount of refund

6. the account number, general ledger account where the refund is to be charged (usually the account number, general ledger account of the original receipt)
7. the department head's approval

VII. Concentrating (Transferring) Funds Into the University's Primary Depository Account

A. To enable the University to manage its funds efficiently, the University concentrates funds from all campus depositories into one central bank account.

B. To facilitate this process, the University has developed an automated cash concentration system. For campuses, institutes, or departments that do not deposit directly into the University's primary depository account, the campus business office is responsible for initiating the concentration process, as follows:

1. The Treasurer's Office will monitor the deposit concentration calls daily and initiate an electronic transfer of funds, moving the funds from regional depository banks to one centralized bank account.

VIII. Credit and Debit Card Deposits

A. Two types of electronic transactions may be made, through point of sale (POS) terminals or the Internet, both of which rely on the electronic capture of data necessary for processing the transaction.

B. Departments that receive credit and debit deposits must enter deposit information into the University's online receipting system. Departments or units that are unable to enter deposit information must prepare a **REPORT OF DEPARTMENTAL COLLECTIONS (FORM T-33)** for each deposit and forward to the appropriate campus/institute office for processing and posting to official university records. Batch release reports generated by the POS terminals or the Internet payment system must be attached to the bank deposit statement (or **FORM T-33**). All credit or **debit** card payments received must be deposited or transmitted to the online receipting system within three business days of processing. Deposits must be made intact and include all credit **or debit** card transactions received.

C. POS Terminal Transactions. Cardholder and transaction information is swiped or keyed into a POS terminal and electronically submitted to the card processor (bank) for authorization or approval. At the close of each business day, the department or **unit** reconciles all transactions processed through the POS terminal to the actual sales drafts and transmits the batch of transactions to the card processor (bank) for settlement. Many cash registers are equipped with POS capabilities and can be used in lieu of separate POS terminals. Departmental or unit sales drafts must be maintained for seven years.

D. Internet Transactions. Cardholder and transaction information is captured via the Internet and transmitted electronically to the University's processor for authorization or approval. Each department or unit will receive a daily batch release report detailing all transactions processed by its Web site. This report must then be reconciled with orders received and processed during the same time period. Documentation must be maintained for seven years.

Penalties/Disciplinary Action for Non-Compliance

Violations of this procedure might result in progressive disciplinary actions, up to and including termination.

Responsible Official & Additional Contacts

Subject Matter	Office Name	Telephone Number	Email/Web Address
Policy Clarification and Interpretation	Andrea Addis	865-974-4421	andrea.addis@tennessee.edu

Related Policies/Guidance Documents

FI0120—Records Management
FI0310—Receiving and Depositing Money
FI0311—Credit Card Processing
FI0330—Unrelated Business Taxable Income (UBTI)
FI0331—State and Local Sales and Use Tax
FI0420—Contracts
FI0620—Capital Projects, Real Estate Transactions (including Leases of Real Property); TSSBA Debt.