

NDSU Receipting Policy and Procedures

NDSU departments need to be aware of the University's basic receipting requirements and evaluate whether the requirements are being fulfilled.

As a review, NDSU Policy 503 (Receipting) requires all departments do the following:

- All monies received be recorded accurately and on a timely basis
- Maintain appropriate receipt records
- All monies received be deposited in full, on a daily basis, to Customer Account Services

The policy provides a few of exceptions, most notably, incidental amounts (less than \$500) must be deposited at least weekly.

Deposit and Receipt Reconciliation Procedures

Departments need to have an appropriate deposit and receipt reconciliation procedure in order to comply with NDSU's receipting policy. For example:

Department A collects \$300 cash & \$400 checks from 7 customers (\$100 each) on June 14th. Department A should record a receipt for each payment: 7 receipts are recorded for \$100 each. Either at the end of the day on June 14th or the start of the day on June 15th, Department A needs to prepare a deposit to Customer Account Services. The cash and checks to be deposited are added up to \$700.00. This actual deposit total is reconciled to the total of the 7 receipts from the receipt record. This reconciliation should be documented on a separate worksheet and should be retained in the department. The \$700 of cash & checks needs to be deposited at Customer Accounts Services on June 15th.

Note 1: It would be non-compliant with NDSU policies for the department to deposit anything other than the full \$700. For example, it would be inappropriate to 1) only deposit the checks received or, 2) only deposit a portion of the cash or 3) to use the cash collected to pay for some expenses or start a till/change fund. According to policy, monies collected need to be deposited in full, on a daily basis.

Note 2: If department A was authorized to maintain a \$50 till fund for making change, there would actually be \$350 of cash & \$400 of checks at the end of the day in the above example. The reconciliation would then show that there is \$750 of cash & checks at the end of the day, but the receipt record would still show only \$700. In order to reconcile the cash to the receipts, the \$50 till fund cash needs to be handled as a reconciling item. Only the \$700 should be deposited with Customer Account Services.

Note 3: Department A may not need to use the traditional paper receipt, but there needs to be some kind of appropriate receipt record to document the receipt of monies; such as: cash register till tape, spreadsheet record, or some other subsidiary record. There needs to be some kind of receipt record in order to reconcile the monies available for deposit to a record of what monies were collected. If departments are unsure of the appropriateness of their receipt record, they may want to consult with Customer Account Services.

Internal Controls

Departments should also consider a checks & balances system to protect both the employees and public monies being collected. Receipting duties should be segregated so that no one employee has complete control of the process from beginning to end. A good control method is if one person handles the receipting and deposit preparation, another person performs the deposit reconciliation task. Another alternative is to have another person review and approve the deposit reconciliation worksheet. There may be other options depending on the circumstances.