



# TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

## Operating Policy and Procedure

### HSCEP OP: 50.10, Endorsement Stamps and Endorsement of Checks

**PURPOSE:** The purpose of this Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso) Operating Policy and Procedure (HSCEP OP) is to establish a uniform policy for the endorsement of checks made payable to TTUHSC El Paso or Texas Tech Foundation, Inc. (TTFI).

**REVIEW:** This HSCEP OP will be reviewed on April 1 each year (EY) by the director of Student Business Services, with recommendations for revisions forwarded to the chief financial officer, or designee, by April 15.

### POLICY/PROCEDURE:

- I. **Official Endorsement.** Checks received that are made payable to TTUHSC El Paso or TTFI must be immediately stamped with an appropriate restrictive endorsement and deposited into the appropriate bank account. (TTUHSC El Paso and TTFI have separate bank accounts). Financial institutions have been instructed to recognize only official institutional endorsements. The use of official endorsement stamps is restricted to approved cash collection points. Non-TTUHSC El Paso accounts or departments are strictly prohibited from using official institutional endorsements. It is the cash collection custodian's responsibility to ensure that all checks are marked with a legible endorsement.
- II. **Requesting an Endorsement Stamp.** Each location involved in the regular (with predictable frequency) collection of checks is considered a cash collection point and must request an endorsement stamp (for endorsements of occasional or seasonal check collections, see section VI). Under no circumstances should any department or cash collection point obtain their own endorsement stamp for checks payable to TTUHSC El Paso departments or TTUHSC El Paso. Each endorsement stamp must be authorized in accordance with this policy and must include the department name and control number to which the endorsement stamp is assigned.
  - A. Endorsement stamps are issued by Student Business Services (SBS). SBS is responsible for the disbursement and tracking of endorsement stamps for all cash collection points at the campus.
    1. Cash collection custodians may request an endorsement stamp by completing the Request of Endorsement Stamp Form on the SBS website. Only one endorsement stamp will be issued with each approved request.
    2. The SBS director must approve all endorsement stamp requests. The cash collection custodian will receive a copy of the approved request form; all original forms will be stored by SBS.
    3. SBS will order the endorsement stamp and assign a unique control number for the cash collection point. The cost of the endorsement stamp will be charged to the FOP provided in the request.
    4. SBS will contact the cash collection custodian and make arrangements for the custodian to pick up the endorsement stamp in person; endorsement stamps will not be mailed for any reason.

5. SBS is responsible for maintaining a log of all endorsement stamps issued to TTUHSC El Paso departments which includes the following information:
  - a) Department name and control number for each stamp issued
  - b) Cash collection custodian responsible for each stamp
  - c) Physical address where each stamp is located

**B. Endorsement Stamp Verification.**

1. In May of each year, SBS will request verification of all issued endorsement stamps from each cash collection custodian. Requests not answered in a timely manner will be forwarded to the next higher level of administration for resolution and disciplinary action.
2. Audit Services will periodically review the use of endorsement stamps.

III. **Replacement of Worn or Defective Endorsement Stamps.** If an endorsement stamp becomes worn or defective, the cash collection custodian may request a replacement stamp through SBS. The old stamp must be returned in person to SBS with submission of the Return of Endorsement Stamp Form on the SBS website.

IV. **Lost Endorsement Stamps.** The cash collection custodian must immediately report a lost endorsement stamp in writing to the SBS director. This written notification must include the last known physical location of the endorsement stamp and the control number. The SBS director will report the loss to Cash Investments and Audit Services. The Office of Audit Services will investigate and report the findings in accordance with standard procedure.

V. **Changing Payee/Using Other Endorsements.** It is a violation of state law and institutional policy for an employee to alter the payee on a check (see HSCEP OP 50.11). Institutional policy prohibits any employee from using any endorsement stamps other than the one designated in the policy statement, **unless** the employee receives written permission from the SBS director.

No person at the institution has the right to circumvent state law. Failure to comply with state law will result in disciplinary action in accordance with *Regents' Rules*, Section 07.03, Fraud Policy. Every employee who has a reasonable basis for believing a fraudulent act has occurred has a responsibility to notify their supervisor, the appropriate administrator, TTUHSC El Paso Police Department (TTEPPD), or Audit Services.

VI. **Cash Collection Points without Endorsement Stamps.** Cash collection points which occasionally or seasonally receive checks will not be issued endorsement stamps. These departments must forward all checks, along with a cash receipt, to SBS or the cashier in a timely manner for restrictive endorsement and deposit in accordance with HSCEP OP 50.07.

VII. **Checks Made Payable to Texas Tech Foundation Inc.** These checks should be forwarded to the Office of Institutional Advancement for endorsement and further processing. The Office of Institutional Advancement will ensure that those checks are restrictively endorsed to TTFI and process the deposit. SBS or the cashier will forward to the Office of Institutional Advancement, any checks it receives for TTFI that are not restrictively endorsed to the foundation.