



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

Operating Policy and Procedure

HSCEP OP: 50.08, Deposit Procedures

PURPOSE: The purpose of this Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso) Operating Policy and Procedure (HSCEP OP) is to standardize and promulgate procedures for the proper handling of deposits to TTUHSC El Paso depository bank accounts.

REVIEW: This HSCEP OP will be reviewed April 15 of every year by the directors of accounting Services and Student Business Services, and the chief audit executive, with recommendations for revisions submitted to the chief financial officer, or his/her designee by May 1.

POLICY/PROCEDURE:

- I. **Definition.** TTUHSC El Paso depository bank accounts facilitate deposits for the institution or other specialized areas. Each deposit location may be associated with multiple cash collection points. Deposits may include currency, coins, checks, credit card payments, warrants, securities, wire transfers, and other valuable consideration.
- II. **Authorized Bank Accounts.** The establishment of bank accounts must be approved by Accounting Services and TTUS Office of Treasury. The use of unauthorized bank accounts for TTUHSC El Paso business is strictly prohibited. Below is general information on the depository accounts currently in use for TTUHSC El Paso.

Bank Code	Deposit Area	Bank	Account
46	MPIP Business Office	Chase	1JEPG0
80	Student Business Services/MPIP Business Office	Chase	1JEGE0
40	Student Business Services	Chase	1JESA0
85	Texas Tech Dental Oral Health Clinic	Chase	1JEPD0

- III. **Responsibilities of Deposit Custodians and Cash Collection Custodians.** Deposit custodians are responsible for ensuring that deposits are made to the bank in a timely manner (i.e., deposits are picked up by armored car service and checks are remote deposited on a daily basis). The deposit custodian must establish internal controls and maintain a comprehensive written procedure for proper cash and deposit handling. The deposit custodian should ensure all cash handlers for the deposit location are adequately trained according to this HSCEP OP and the deposit location's cash and deposit handling procedures.

Cash collection custodians are responsible for establishing and maintaining cash handling procedures, safeguarding cash collections, submitting timely deposits and supporting documentation to the deposit custodian, and ensuring all cash handlers for the cash collection point are adequately trained in accordance with HSCEP OP 50.07.

- IV. **Daily Reconciliations to the Bank Activity Report.** Student Business Services (SBS) will perform a daily reconciliation by matching the prior day's deposits received from associated cash collection points to the deposits reflected on the bank activity report. Outstanding or un-reconciled transactions must be investigated and resolved immediately. The Medical Practice Income Plan (MPIP) will reconcile patient account payments for Bank 46, and the Oral Health Clinic will reconcile payments received in Bank 85. Both units will provide SBS with a copy of

the prior day's bank activity report along with their respective reconciliations.

- V. **Prompt Deposits.** State law requires timely deposit of receipts. Receipts must be deposited within three (3) business days with no exceptions. Receipts totaling \$500 or more must be deposited by the following business day. When it is necessary to store funds overnight, adequate safeguarding must be provided by the applicable custodian.
- VI. **Duplicate Deposit Slips.** Funds deposited to a TTUHSC El Paso depository bank account must be documented using duplicate deposit slips. Deposit slip copies must be kept on file by the deposit custodian according to the TTU System retention policy (see HSCEP OP 10.09).
- VII. **Significance of Prompt Recording.** It is important that deposits to the bank and submittals of cash receipts are prompt (see HSCEP OP 50.26 for detailed instructions on how to complete a cash receipt). The timeliness of submittals can impact reconciliations, perceived cash controls, and allocation of interest earnings. Interest is allocated to accounts based on the day the receipt is recorded in the financial system, not the date it is deposited at the bank.
- VIII. **Forwarding of Deposit Information.** Each deposit location must forward a list of cash receipts corresponding to each bank deposit by email to SBS (cashreceiptselp@ttuhsc.edu) on a daily basis. The deposit custodian must retain all originals according to the TTU System retention policy (see HSCEP OP 10.09).
- IX. **Resolution Process for Cash Issues.** Appropriate custodians will be notified by a representative from Accounting Services, SBS, or Audit Services in the event of cash control questions or concerns.
 - A. Custodians are expected to be responsible. Cash handling and/or depositing concerns must be addressed by the custodian promptly, even if a resolution is not immediate. There will be zero tolerance for unresponsiveness or failure to resolve concerns in a timely manner. Any unaddressed or subsequently unresolved concerns will be escalated to the next higher level of administration for resolution or disciplinary action.
 - B. Custodians should seek assistance from Accounting Services, SBS, or Audit Services in researching, assessing, and addressing cash handling and/or depositing concerns when needed.