

Business Manager Meeting Notes

June 15, 2005


The June 15, 2005 Business Managers Meeting included an ERP update, information on cash collection point procedures, and collection of outstanding items.



Tom Page, Controller, opened the meeting and commented on a few items. He said the Budget and Planning Office is hard at work on the budget. We have not received a final budget yet from the state. Also, pending approval from the Board of Trustees, CWA will receive their increases, retroactive pay, and lump sum sign-on bonuses in late June or early July.

Brian Bushong, ERP Director, said ERP open forums are planned for the second Monday of each month at 1:00 pm – location TBA. Several people attended the June meeting. Please share this information with your departments. Brian also said the debut of the “my UT” portal, which offers a single sign-on, is planned for October 2005.

Brian introduced a new ERP staff member, Bruce Boardman. Bruce is the Instructional Designer/Trainer for the ERP project. Bruce did a PowerPoint presentation on the Banner pyramid and its equivalents to UT’s HRS hierarchy. He also showed a video clip of SCT’s Sungard Course Overview. It is very user-friendly – it’s set up in chapters and self-paced.

Brian mentioned that the Business Managers group might be one of the “guinea pigs” to receive training first. He will be asking for volunteers and asking for their feedback.

Stephanie Blausey, Assistant Bursar, Loans and Collections, asked if there were any questions about her recent e-mail, (DeptColl20050608.pdf ). UT’s Collections Office asks as a liaison between University departments and the Ohio Attorney General’s Office. This memo states that the Collections Office is required by state law to certify all past due debts payable to the state that are past 45 days to the Ohio Attorney General. Please direct questions regarding outstanding collection items to her office. Outstanding items include, but are not limited to, parking fines and library fines. Students with outstanding fines have holds placed on their accounts, so they cannot get transcripts or register for classes.

Bryan Dadey, Assistant Controller, discussed cash collection point procedures and distributed handouts (Cash Collection Point Review  and Cash Collection Procedures Questionnaire Draft ). There are over 40 locations on campus that accept cash/check/credit card payments. He and a student intern plan to begin visiting these locations, starting with the ones with the greatest amount of activity. A couple years ago, UT’s Internal Audit Department completed an audit of cash handling procedures. Bryan and the student intern will be seeing what cash collection point

procedures are in place, and make recommendations as necessary to assure compliance. Grace Brown, Assistant Bursar, Cashier's Office, recommended the use of counterfeit bill detection pens, available from Office Depot, for departments taking cash payments.



CASH COLLECTION POINT REVIEW

Stage One - Review and document the current cash collection procedures and controls

A. Process - Visit cash collection locations and conduct interviews

- Document procedures, transaction flows, and payment methods accepted (i.e. cash, checks)
- Document process owners (who performs the activity)
- Document review and approval procedures
- Document internal controls utilized

B. Objective

- Determine if present processes and procedures adequately safeguard the University of Toledo assets.
- Determine if present processes and procedures have adequate segregation of duties between the following categories: Custody of Assets, Recording, and Control Activity.
- Determine if proper review and approval procedures/controls are currently in place.

Stage Two – Develop recommended cash collection procedures to be used at all cash collection points

A. Process - Evaluate the documentation from Stage One

B. Objective

- Ensure the University of Toledo has proper segregation of duties at each cash collection point.
- Ensure there is proper review and approval functions and controls over the cash collection process.
- Ensure the University has adequate safeguards over its assets.

C. Results – Guidelines for Cash Collections

- Can be customized based on individual location
- Addresses each type of payment method
- Identifies what roles individuals can perform (segregation of duties)
- Identifies what procedures and control must be performed



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CASH COLLETION PROCEDURES QUESTIONNAIRE

Date: _____

Cash Collection Location: _____

Business Manager: _____

Controller's Staff: _____

General Cash Questions

1. What methods of payment do you accept (i.e. cash, checks, credit cards)?
2. How are transactions recorded? Is a cash receipts journal (log) maintained, a multiple copy system utilized, or is a cash register used?
3. Is the cash register or cash drawer reconciled (balanced) at the end of the shift to ensure the cash on hand is consistent with the activity for the day?
4. Is the cash register or cash drawer reconciliation reviewed by a supervisor?
5. Are overages or shortages investigated and resolved in a timely manner?
6. Are deposits made to the Cashier's office or a separate bank account?

General Cash Questions (continued)

7. How often are deposits made to the Cashier's office?
8. Where is the money / checks / credit card receipts maintained during the day and over night?
9. What individuals have access to cash in the area? What individuals have access to the safe (if applicable)?
10. Are combinations to the safe changed periodically?
11. Is a restrictive endorsement "for deposit only" stamp used on checks received to prohibit the cashing of the check?
12. Is a listing of checks compared to the bank deposit?
13. Is a review of the bank deposit performed by a supervisor?
14. Is an accounts receivable journal maintained (if applicable)?
15. Are credit card receipts reconciled to the daily activity report?
16. Is there a standard amount of cash kept on-hand at each location and/or for each drawer/register?

Segregation of Duties

1. Who opens the mail and lists the checks received?
2. Who compiles the list of checks?
3. Who accepts the payments?
4. Who prepares the bank deposits?
5. Who maintain the listing or log of daily cash receipts?
6. Who reconciles the daily cash receipts listing to the bank deposit?
7. Who performs the review of the bank deposit?
8. Who authorizes write-offs of accounts receivable or determines the accounts to be uncollectible?
9. Who performs the daily balancing of cash performed on the drawer and/or cash register?

June 8, 2005

All University Departments

Dear Co-workers,

Effective July 1, 2005, the Loans & Collections Department of the Bursar's Office will begin assessing collection costs onto your outstanding items at a rate of 5% or a minimum of \$5 on all new placements with us. This will include any "NSF" items.

According to state laws (ORC 131.02), **all past due debts payable to the state** are to be certified to the Ohio Attorney General's Office for collection once they have become forty five (45) days past due. The Loans & Collections Department is responsible for certifying your outstanding debts for collection. Once the accounts are placed with the Attorney General's Office, they may be assessed as much as 40% in collection costs that will be charged to your department. We are hopeful that by utilizing UT's Collection staff, we can minimize the expense to the University.

Please forward any delinquent items along with any supporting documentation (contracts, letters, or communication records, etc) to my attention at Mail Stop 331.

You are welcome to call me with any questions at (419) 530-5787.

Sincerely,

Stephanie S. Blausey
Assistant Bursar-Loans & Collections