

Finance Procedures for Handling and Recording Incoming Payments and e-Commerce Transactions

Effective Date of procedure – July 1, 2010

Overview and Purpose

All incoming payments to the University of Mary Washington (UMW) are recorded in BANNER, the institution's financial reporting system, through cashiering sessions. All entries into BANNER produce a system generated, sequentially numbered receipt. All payments are to be deposited into UMW's Revenue Clearing (RC) Account at Branch Banking & Trust (BB&T). Federal Perkins Loan Program payments are to be deposited to UMW's Perkins Account at Wells Fargo Bank. Other bank accounts, for UMW sponsored activities, are not permitted. All payments are required to be in compliance with UWM's [Policy E.2.2- Handling Incoming Payments](#). The purpose of this procedure is to establish uniform, secure and appropriate handling and reconciliation of all-incoming payments in compliance with Commonwealth Accounting Policies and Procedures (CAPP) Topic 20205 and in accordance with standard banking and credit card industry practices.

Departments are discouraged from using other resources, but in the event the University's standard resources and tools aren't sufficient, departments using other resources to track and collect funds for events or similar programs are required to work with Finance to ensure appropriate controls are in place for collection and recording revenue before offering an alternative to UMW established vehicles for accepting payments.

There is one exception for payments:

These procedures identify the various methods and payment types that are received by UMW. This procedure also identifies the steps that are to be followed with each type of payment.

Scope

- Accounting Department
- Cashiers
- Finance
- Financial Reporting
- TESS
- All UMW Faculty, Staff and Students

General Procedures

- Deposits are to be delivered to the Cashier's Office within 24 hours of receipt, except:
 - Weekend events held by campus groups are presented for deposit the next business day
 - Pre-identified locations approved to present deposits either when total collections reach \$200 and/or by Friday of each week
- Deposits are processed by the Cashiers Office within 24 hours of receipt.
- Amounts collected and deposited are reconciled to receipts, system reports or other verifying documentation for each day that transactions are accepted
 - When present, the customer receives a manual receipt. Payments on a students' accounts will generate an email receipts to their UMW email address
- [Cash & Credit Card Transmittal forms](#) are submitted with each daily deposit to the Cashiers office.

Methods and types of receipt of incoming payments

Payments made directly to Cashiers office (Lee Hall Room 208).

Cash payments (in-person)

Check payments (via in person, utilizing drop box in Student Services or by mail)

Direct electronic payments into UMW RC account at BB&T

State payments via Cardinal system

Fund requested by means of a Cardinal voucher

Payments made by a non-state party by means of ACH or wire transfer

Payments received by UMW Finance Approved Collection sites

Cash

Checks

Credit cards

By means of physical credit card reader

By means of internet portal

Payments by means of an eCommerce system

Eagle Pay transactions

Payments to be applied to existing student account

Payments of deposits for an enrolling student

CashNet

Payments with established Banner FOAP in Cashnet

Destiny One payments settled with CashNet transaction

Payments without an established Banner FOAP

Procedures for being an Approved Collection sites

UMW Finance Approved Collection Sites are campus locations that collect monies on behalf of UMW

To become a Collection site, a department will submit written procedures documenting handling, processing, depositing and reconciling all payments. Finance provides a template to complete with area specific procedure. All records and reconciliations remain with the department in accordance with established [Library of Virginia](#) record retention procedures and are subject to both internal and external review and audit.

Collection sites must have strong internal controls to prevent the mishandling of payments and to safeguard against loss. The collection site, in order to be approved, must establish written procedures that include separation of duties and month-end reconciliations. These procedures are the key business processes used to ensure the safeguard of received monies. Strong internal controls protect employees by defining crosschecking roles for payment handling responsibilities.

Before a department can collect funds, by any means, they must read the [handling incoming payment policy](#) at the link above, review the procedures in this document, add their department specific procedures to this document and obtain Finance approval. Department Procedures here related to cash and checks, including how funds will be secured, who is responsible for the collection, securing and transmission to the cashiers of funds received. The controls that will ensure that the department complies with this procedure and related policy.

Finance Approval is granted by the Associate Vice President for Finance & Controller or the Director of Accounting

Specific Policy and Procedures for types of payments

Cash

All cash is secured in a safe or other approved secured environment

- Cash is not stored in personal locations either on or off campus
- Staff is familiar with [identifying authentic currency](#) and [Counterfeit Note Reporting](#) protocol.
- All bills \$20 and above are verified as authentic
 - Counterfeit detector pens are available in the Cashier's Office

Checks

All checks are secured in a safe or other approved secured environment.

Checks are not stored in personal locations either on or off campus

Checks, cashier checks, money orders and traveler's checks are made payable to 'University of Mary Washington' or 'UMW'

Personal checks include name, address & phone number of the payer and a check number

- Checks verified to be drawn on U.S. banks in U.S dollars
 - Checks, cashier checks, money orders and traveler's checks are endorsed immediately upon being received, then secured as stated above
- Endorsement wording contains "For Deposit Only to UMW"

Traveler's checks are signed by the presenter, in the receiver's presence, prior to acceptance and endorsement

- UMW does not accept postdated checks
- UMW does not cash checks

Credit Card transaction using a credit card reader/terminal

On-site credit card payments are accepted at limited auxiliary locations previously approved by Finance as a Collection Site.

All departments establish and maintain compliance with the [Payment Card Industry Data Security Standards](#) as set forth by UMW Management. SQUARE device or alternative internet payment methods (Venmo, Zelle etc) are not an UMW approved device/method for payment collection.

Approved Collection Sites, using credit card readers, will have procedures that insure that:

- Transactions are settled daily
 - Reconcile to receipts/other documentation
- Complete credit card information on the Cash & Credit Card Transmittal for each settled batch
 - Attach the machine settlement tape or other supporting documentation
- Provide the transmittal to the Cashier's Office the next business day
 - Transmittals containing cash/checks/credit card transactions are delivered in person
 - Transmittals with ONLY credit card transactions can be emailed to cashiers@umw.edu
- If the Approved Collection Site incurs credit card processing fees, they will reconcile the billed monthly transaction invoice
 - Number of billed transactions equals settlement reports
- Pay transaction invoices within the 30 day Prompt Pay requirement

INSERT DEPARTMENT SPECIFIC PROCESSES HERE THAT SUPPORT THE ITEMS ABOVE. Include the title of the department employee ultimately responsible for the credit card machine, knowledge of PCI Compliance rules and payment of any credit card machine related invoices.

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Credit Card transaction using an internet portal, not the eCommerce system

These sites will have procedures that insure that:

- Departments using an outside software system reconcile revenue from that system's reports to both Banner and eCommerce collections.
- All deposits are made intact, inclusive of any over/short amount
- Transactions are settled daily
 - Reconcile to receipts/other documentation

- Complete credit card information on the Cash & Credit Card Transmittal for each settled batch
 - Attach the machine settlement tape or other supporting documentation
- Provide the transmittal to the Cashier's Office the next business day
 - Transmittals containing cash/checks/credit card transactions are delivered in person
 - Transmittals with ONLY credit card transactions can be emailed to cashiers@umw.edu

INSERT DEPARTMENT SPECIFIC PROCESSES HERE THAT SUPPORT THE ITEMS ABOVE. Include the title of the department employee ultimately responsible for the credit card machine, knowledge of PCI Compliance rules and payment of any credit card machine related invoices.

Payments directly made into UMW (BB&T Revenue Clearing) Account

Funds generated by Commonwealth of Virginia voucher

These payments will be the result of actions generated by either the Budget or the Accounting department. The Accounting department will make the appropriate Banner entry and will reconcile the banking transaction with Banner.

Funds received by parties other than the Commonwealth of Virginia

Departments that are aware of pending transfers are to notify the Banking Accountant of forthcoming payments. This notification is to include the information necessary to make the appropriate Banner entry.

eCommerce payments

Payments and Deposits on Students' Accounts

Payments made on student accounts (including established payment plans) and Admission & Housing deposits are processed through NBS processes. This includes credit card and e-checking/savings account payment opportunities. On-line payments or Admission deposits to students' accounts, are posted real time, in unique Banner sessions. All NBS payments are electronically deposited to UMW's RC Account at BB&T. Cashier sessions, for each type, are automatically created and closed each business day. Finance staff performs daily reconciliation for e-commerce payments/deposits on students' accounts

Other than student account payments with an embedded Banner FOAP in CashNet

Departments requesting access to an eCommerce site, CashNet, are required to attend training and acknowledge acceptance of the [eCommerce Partnership Agreement](#).

The embedded FOAP for eCommerce payments will be reviewed and approved by the Accounting department.

Departments identifying a need to use e-Commerce for sponsored events or activities, request approval through the eCommerce site, **30 days prior to the event.** The requesting department:

- Updates Handling and Recording Incoming Payment procedures to include eCommerce Manager processes
- Verifies expected payments/deposits on accounts and reconciles all recorded revenue to their event records
- Is responsible for payment of related transaction fees charged to UMW

Requested changes in event detail or staff access are communicated to Finance prior to the event start or as soon as identified

Payments or deposits on non-student accounts, or for other approved events, are posted directly to the specified Banner account as part of the daily closing session.

Departments are responsible for reconciling all expected e-Commerce revenue to the amount posted in BANNER, using eCommerce detail information to include other event records or outside system reports. All differences are identified and resolved.

Reconciliation is performed at least monthly and at the conclusion of events with defined end dates. The assigned department staff member:

- Tracks registration/participation for the event/trip/activity
- Verifies ALL expected revenue to ALL deposits in BANNER for the event/trip/activity
- Prepares a reconciliation document (see sample below)
- Signs and dates
- Obtains Reviewer signature & date
- Maintains reconciliation and supporting documents for review or audit

SAMPLE:

Name of Event									
Dates of Event	MM/DD/YY-MM/DD/YY or ONGOING								
Expected Revenue from all registrations				250.00	Total expected attendance from registration forms				
Commerce Manager payments collected			225.00						
Other Payments deposited with Cashier			xxx.xx						
BANNER Total				225.00					
		Difference		25.00	Expected revenue less BANNER Total				
				(25.00)	XYZ cancelled prior to deadline for payment				
				0.00					
Completed by:	{Name, Date}								
Reviewed by:	{Name, Date}								

Other than student account payments without an established Banner FOAP in CashNet

Invoices for payment or deposit to non-student accounts are created in [Finance](#) and e-commerce payment options are offered for payment:

- Finance staff pulls reports from NBS to identify daily payments
- Invoice detail is provided to cashiers
- Payments/deposits are manually entered against the account in the daily cashier's session

Reconciliation

Finance staff performs daily reconciliation for payments/deposits amounts on non-student accounts

- Email is received from NBS for all payments received
- Reports are pulled from NBS site
- Total activity is verified

Finance staff reconciles UMW facility rental deposits and payments to NBS monthly. Staff also identifies outstanding/delinquent accounts and forwards to the Collections Manager for processing under UMW guidelines.

Raffles, depositing funds to UMW accounts, follow established Finance [procedure](#).

CashNet Refunds

When the department determines that an eCommerce payment refund is appropriate and The refundee is a UMW student or the event is student related:

- Department staff notifies the Student Account department and the [Accounting department](#), via email, and provides the student name, amount, e-Commerce transaction number and type(s) of payment made.
The Student Account and the Accounting Departments:
- Verifies any outstanding balances owed to UMW
 - Coordinates with Student Accounts to determine amounts to apply to outstanding student balances
 - Initiates a General Ledger transaction to debit the event revenue and credit the student's account for deducted amounts
- Forwards email with Credit Card refund information and amounts to [TESS](#)
 - Payment amount, less fees and any outstanding balances, is credited back to the card of origin
- Forwards email with check refund information and amounts back to the department to proceed with the refund per the [Invoice for Direct Pay Request Form](#).
 - Payment made by any combination of credit card & e-check is refunded by check
 - The initial amount, less fees and owed balances, is refunded to the student

The refundee is not a student and the event is non-student related:

- Department staff notifies TESS and provides the name, amount, e-Commerce transaction number and type(s) of payment made.
- Credit Card payments are refunded by TESS
 - Payment amount, less fees, is credited back to the card of origin

- Check refunds are processed by the department per the [Invoice for Direct Pay Request form](#)
 - Payment made by a combination of credit card & e-check is refunded by check
 - Payment amount, less fees, is returned to the payer
 - A [Vendor Registration Form](#) is required for payers not currently identified in BANNER

e-Commerce/Other Sources

Departments using sources, other than CM, coordinate with Finance **PRIOR TO** signing any contracts. All deposits are gross proceeds with invoicing to the department for any related fees.

Departments:

- Update Handling and Recording Incoming Payment procedures to include e-Commerce process detail
- Verify that expected deposits match source reports for the deposit timeframe
- Communicate verification to Accounting, noting any discrepancies
- Resolve discrepancies and communicate resolution to Accounting
- Reconcile BANNER postings to source reports for the event or program

Finance Posting of Other e-Commerce Source Payments

Banking Accountant provides information to the Cashiers for department verified deposits to UMW's bank account. Cashiers:

- Enter the total to the designated FOAP with reference to the event and timeframe
 - Description is entered using the detail code as "ECCC"

Other e-Commerce Refunds

When the department determines that an e-Commerce refund is appropriate, the refund is credited back to the CC through the e-Commerce source, per department detail procedure, if available OR if

The refundee is a UMW student or the event is student related:

- Department staff notifies [Accounting](#), via email, and provides the student name, amount, e-Commerce transaction detail and type(s) of payment made.

The Accounting Department:

- Verifies any outstanding balances owed to UMW
 - Coordinates with Student Accounts to determine amounts to apply to outstanding student balances
 - Initiates a General Ledger transaction to debit the event revenue and credit the student's account for deducted amounts
- Forwards email with refund information and amounts back to the department to proceed with the refund per the [Invoice for Direct Pay Request Form](#).
 - Payment made by any combination of credit card & e-check is refunded by check
 - The initial amount, less fees and owed balances, is refunded to the student

The refundee is not a student and the event is non-student related:

- Check refunds are processed by the department per the [Invoice for Direct Pay Request form](#)
 - Payment made by a combination of credit card & e-check is refunded by check
 - Payment amount, less fees, is returned to the payer
 - A [Vendor Registration Form](#) is required for payers not currently identified in BANNER

e-Commerce Reconciliation

Commerce Manager Reconciliation

The department assigns staff to access and verify CM transaction detail to other supporting event documentation. The assigned staff member:

- Logs onto the CM site
 - Each user is assigned a unique username and password
 - [Training documents](#) provide password security requirements
- Extracts data and sorts the information as needed
- Verifies that CM entries match outside system revenue reports for online payments
- Verifies that expected deposits from CM payments have been posted to BANNER

Other e-Commerce Source Reconciliation

The using department assigns staff to:

- Complete “Preliminary Requirements” as detailed on the e-Commerce site
 - <https://adminfinance.umw.edu/finance/financial-management/commerce-manager/>
- Extract reports/data and sort the information as needed
- Verify that expected deposits from e-Commerce have been posted to BANNER

Creation and Approvals

This procedure is issued by the Finance Department and approved by Julie Smith, Associate Controller 04/27/2015

Revision

0. Marta A. Smith, Director of Accounting, 4/14/08
1. Laura Allison, Assistant Controller – Compliance, 4/22/2010
2. Marta A. Smith, Director of Accounting, 7/26/2010
3. Marta A. Smith, Director of Accounting, 11/10/10
4. Marta A. Smith, Director of Accounting, 12/1/10
5. Marta A. Smith, Dir. of Accounting, March 2015
6. Marta A. Smith, Dir. of Accounting, January 2018
7. Anthony Dahm, Dir. Of Accounting, March 2020