

UConn

**FISCAL INSTITUTE FOR
TRAINING (FIT)**

OFFICE OF THE BURSAR



OFFICE OF THE BURSAR

The main functions of the Office of the Bursar fall into three general categories:



Student Billing, Payments
and Related Customer
Service



Non-Student Billing and
Collections



Departmental Cash Receipts
and Depositing

Today's presentations will focus mostly on the departmental side of the Bursar's Office: Cash Operations + Accounts Receivable

CASH OPERATIONS: WHO ARE WE?

- Six full-time staff with over 70 years combined experience
- Oversee and ensure compliance of cash handling across the University
- Reconcile department deposit eDocs in KFS to deposits in the bank and CORE
- Post payments to student fee bills, including wires, grant advices and mailed checks.
- Process outgoing student disbursements as well as accounts payable disbursements
- And that's not all!

BASIC CASH FLOW PROCESS ON CAMPUS

Departments collect cash/check payments from various customers

Departments input KFS eDoc to record funds to their KFS account(s)

Departments deliver funds to Cash Operations/deposit to Bank of America

Cash Ops reconciles deposits received in the bank to KFS eDocs and codes in CORE-CT based on KFS accounts used

Cash Operations transfers funds between University bank accounts as needed

Cash Ops follows up with departments and State Treasurer's Office to ensure compliance

WHAT YOU CAN EXPECT FROM CASH OPS!



**What You
Can Expect
From
Cash Ops!**

Provide general guidance for cash handling processes and procedures

Be available for any questions your department may have regarding depositing University funds

Ensure the amounts you record in KFS as deposits agree to what is received and recorded in the bank and coded accurately in CORE-CT

Maintain the University's relationship with the bank as well as the State Treasurer's Office

Provide annual training materials for cash/credit card handling staff

WHAT CASH OPS ASKS OF YOU!



Create internal procedures for your department's cash handling process based on our general guidance



Contact us with any questions you have with depositing or other University cash/check/credit card/wire transactions

KFS

Ensure you are recording deposits in KFS accurately and timely, as well as deposit funds in compliance with State Statutes



Maintain a relationship with your customers for any depositing issues, such as returned checks and credit card chargebacks



Identify all relevant staff required to complete annual trainings



LEARNING OBJECTIVES

- 1. Paying a Fee Bill: Understand when and how to process grant advice payments to utilize departmental funds to pay a student's fee bill and why this matters.**
- 2. Cash Handling Basics: Provide an overview of cash handling basics, risks of accepting cash, and how to best prevent misconduct to protect the University.**
- 3. Accepting Credit Card Payments: Provide an understanding of PCI compliance, credit card options available at UConn, and a general overview of how credit card payments get processed and risks involved.**

PAYING A FEE BILL: GRANT ADVICES

WHAT IS A GRANT ADVICE?

- Method of payment used by departments to pay a student's fee bill
- Transfers funds in a department's KFS account to a clearing account
- Payment posted to the student's fee bill in PeopleSoft

WHEN SHOULD GRANT ADVICES BE PROCESSED?

- To pay *specific* charges on a student's fee bill (ex: tuition, mandatory fees, health insurance, etc.)
 - Most commonly used when a department/Grad School agrees to pay for a Fellow's mandatory fees per their agreement with the University
- Should not be used to send prizes, grants, scholarships, or other awards.
 - These should be processed through the Office of Student Financial Aid Services.
<https://financialaid.uconn.edu/determining-whether-a-payment-is-for-direct-educational-expenses/>

IMPLICATIONS OF A GRANT ADVICE PAYMENT



Tax

Grant Advice payments are considered income to a student and must be reported on a student's 1098-T.



Financial Aid Packages

Grant Advice Payments are reflected as a form of outside aid to a student and must be included in their financial aid package calculations. Depending on a student's specific package, a grant advice payment may cause a student to be over-awarded and other aid may need to be reduced.

HOW TO PROCESS A GRANT ADVICE


www.bursar.uconn.edu

→ Resources > Department Resources > Cash Operations >

Department Grant Advices

UConn

OFFICE OF THE ASSOCIATE VICE PRESIDENT OF FINANCIAL OPERATIONS AND CONTROLLER
Office of the Bursar





Welcome to Cash Operations

Cash Operations, located on the main floor of the Wilbur Cross Building, serves as the official central depository for collecting, receipting, and processing funds from student tuition and fees, as well as funds collected by departments within the campus community. We ensure University assets are protected, accurately and timely processed, and properly reported in accordance with state and University regulations. Cash Operations also processes outgoing student refunds as well as accounts payable disbursements. Hours of operation are from 8:30a.m. to 4:30p.m., Monday-Friday.

- Departmental Deposits
- UConn Marketplace
- Accounts Payable Disbursements
- Incoming Student Payments
- Student Disbursements
- Escheated Disbursement Checks (Including Student Refunds)
- Departmental Grant Advices**

Departments who are paying for specific charges on a student's fee bill should pay via a Grant Advice. Grant Advices should not be used to send an award/scholarship/prize to the student's account. Instead, those payments need to go through Financial Aid. For example, if a department pays for a student's mandatory fees, then a Grant Advice should be processed. However, if the department pays a flat \$1,000 towards a student's fee bill, then the payment should go through Financial Aid as a scholarship or award.

[Department Grant Advice Payment Instructions](#) 

[Grant Advice Payment Excel Worksheet](#) 

Grant Advices

- Please note – Grant Advice docs need to be approved by the Fiscal Officer on the department's KFS account, the Bursar, Tax & Compliance, and then Accounting office *before* they are posted to the student's fee bill. This process can take up to a week, so plan to submit your grant advice well in advance so students avoid late fees and holds.

NEXT TOPIC! CASH HANDLING

**Who Can Accept
Payments at UConn?**

ANSWER: TECHNICALLY, ANYONE!

Well, anyone who is *properly trained*! That's why we're here!

UConn is made up of an array of departments run by faculty and staff of all different backgrounds. At any given time, there are a number of events occurring on campus, sales happening for various reasons, cars being ticketed, and donations being received.

There truly is no way to determine who is going to be collecting cash or check on behalf of the University until after the funds are collected and recorded in KFS. This is why it's so important for cash handling staff to be properly trained and informed!

NEXT QUESTION....

What is Cash?

ANSWER:

Cash is considered to be currency, coin, personal check, bank check or money order. We are only able to deposit U.S. currency and checks drawn off of U.S. banks. Foreign checks cannot be accepted.



FIDUCIARY RESPONSIBILITY

The University of Connecticut is a State agency. The majority of cash that is received at UConn is eventually (and often directly) deposited into the State Treasurer's bank account.

So although money is deposited into a *department's KFS account*, it does in fact belong to the State of CT and must be deposited per the State's guidelines and statutes.

Therefore, the University is really collecting payment *on behalf of the State of CT* and has a fiduciary responsibility to handle and protect the State's assets appropriately.

WHAT WILL WE LEARN?



**Best Practices in
Cash Collections**



**Basics of Cash
Depositing at UConn**



Checking Checks



**Identifying and
Handling
Counterfeit Bills**



Change Funds



**Over/Under
Guidelines**



BEST PRACTICES IN CASH COLLECTIONS

01	Proper recording and documentation of transactions
02	Security
03	Separation of duties and responsibilities
04	Timeliness of deposit
05	Reconciliation



BEST PRACTICES: PROPER RECORDING & DOCUMENTATION OF TRANSACTIONS

This is the first step in the cash collection process!

- **Provides a financial record of each receipt of payment, ensuring accuracy and completeness of transaction**
 - Who, What, Where, When, Why, and How
- **Supports receiving the payment**
 - Can you think of potential pitfalls if receipt of payment is not properly documented?
- **Supporting documentation for all deposits must be attached to the KFS eDoc**
 - *Failure to do so may result in the eDoc being disapproved!*

HOW DO I PROPERLY DOCUMENT *IN-PERSON* PAYMENTS?

- Enter into a cash register
- Input into an electronic system
- Track payments manually with pre-numbered receipts.
 - *Why is it important for the receipts to be pre-numbered, especially for cash payments?*
 - *How should you handle a receipt that had a clerical error, such as incorrect name or amount?*

UConn | UNIVERSITY OF CONNECTICUT
PAYMENT RECEIPT

NUMBER 00901
DATE 3/6/17

DEPARTMENT Bursar's Office

FROM Mary Smith

AMOUNT \$ 25.00

DESCRIPTION Sweatshirt

CASH \$ 25.00

CHECK \$ _____

TOTAL RECEIVED \$ 25.00

By: A. Kwapien

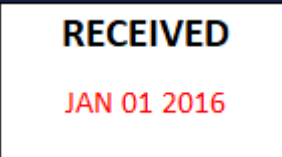
Receipts provided by Cash Ops upon request!

HOW DO I PROPERLY DOCUMENT CHECKS RECEIVED IN THE MAIL?

Record all checks on a check log

<u>"Your Department" Check Log</u>					
	Date:			E-doc:	
	Initials:				
Customer Name	Check #	Check Date	Amount	Reason for Pymt	
ABC Company	123	11/6/2019	\$500.00	Royalties	
John Husky	456	11/6/2019	\$25.00	Donation	
Joe Schmoe	789	11/6/2019	\$15.96	Travel Advance Reimbursement	
		Total	\$540.96		

Note: The date the check was received should also be written/stamped on the check



POP QUIZ! TRUE OR FALSE?

1. Supporting backup is not needed if you are depositing only one check for the day.

FALSE! All deposits, no matter how big or small, require proper backup documentation to show receipt of payment.

2. A report showing bank deposits qualifies as proper backup documentation.

FALSE! A deposit report supports that funds were deposited but does not document *receiving* the payments.

3. For payments entered into a register or electronic system, a printout of the payments inputted for the day is sufficient backup to attach to the eDoc.

TRUE! As long as the report provides enough detail to support the payment being received and agrees to the total amount deposited.

ON THE TOPIC OF DOCUMENTATION...

- All fiscal documentation is subject to the Municipal Records Retention Schedule M3
- Form RC-108 must be filled out and submitted to Betsy Pittman, the University Archivist, for proper approval
- Documentation subject to retention policies includes, but is not limited to:



**Paper bills or
invoices**



**Daily payment
logs**



**Customer
receipts**



**Deposit receipts
from Bank of
America**

SECURITY

- Access should be limited to designated employees
- During business hours, all forms of cash should be stored in locking drawers, cash registers, or cash boxes
- All payments must be secured overnight
- Change combinations at least annually, or when someone who had access leaves the department



TIMELINESS OF DEPOSITS

- Timeliness of depositing funds is mandated by State Statute 4-32
 - Remember that fiduciary responsibly?
- Deposits totaling \$500 or more must be deposited by the end of the following business day.
- Deposits under \$500 must be deposited within 7 calendar days of being received. ****Please note**** KFS eDocs should still be submitted daily for funds received that day.

Note: It is recommended funds be deposited daily, even if below the \$500 threshold



HERE'S AN EXAMPLE...

Daily Cash/Check Totals

Monday	\$20.00 cash 40.00 check
Tuesday	no payments
Wednesday	no payments
Thursday	no cash \$20.00 check
Friday	\$25.00 cash \$20.00 check

Daily KFS eDocs

Monday	eDoc for \$60.00
Tuesday	no eDocs
Wednesday	no eDocs
Thursday	eDoc for \$20.00
Friday	eDoc for \$45.00 and deposit to the bank/CashOps of \$45.00 cash, \$80.00 check

- When do the funds need to be deposited by per State Statute 4-32?
- What is the best practice?

CONSEQUENCE OF NON-COMPLIANCE

- **Cash Operations requires an Acknowledgement Form to be completed and signed by a Director/Department Head when a deposit is out of compliance with State Statute 4-32**
- **Repeated non-compliance will be reported to the Controller and Internal Audit**
- **May result in revocation of department's privilege to accept cash payments**

RECONCILIATION

This is a **CRUCIAL** step in the cash handling process that is often either skipped or not completed thoroughly

- Necessary to confirm that deposits are recorded correctly
- Performed by an individual outside of the deposit process at least monthly
- Agree backup documentation of received payments to deposit eDocs (CR and AD) finalized in corresponding KFS accounts
- Discrepancies should be researched immediately. Contact Cash Operations if any issues arise

Note: CR eDocs are finalized when the deposit is delivered and verified by Cash Operations. AD eDocs are finalized when the deposit is received in the bank account. **Any pending eDocs for funds believed to be deposited needs to be investigated ASAP!**



Let's Pause for a Short Break



TIME FOR CASE STUDIES!

What are the risks/red flags in the situation?

What are some suggestions for what the department and/or Cash Operations should have done to minimize these risks and red flags?

CASE STUDY #1: LOST AND FOUND

At the beginning of the month, a department delivered a deposit to Cash Operations containing \$675.25 in cash and coin. The delivery person explained it was from her department's lost and found, but had no additional information.

Cash Operations provided the department with a receipt and took the deposit. Cash Operations verified the total of the deposit and went to approve the Cash Receipt eDoc.

Cash Operations staff noticed that the KFS e-doc contained no explanation or backup (other than "Cash from Lost and Found") and the department was depositing the funds into their revenue account.

CASE STUDY #2: MYSTERY CHECKS

Earlier this month, a department delivered a deposit to Cash Operations containing \$301.65 in checks. Cash Operations provided the department with a stamped copy of the receipt and took the deposit. Cash Operations noticed there was no eDoc number listed on the receipt, but figured they could look it up in their KFS action list.

Cash Operations verified the total of the deposit and went to approve the Cash Receipt eDoc, but noticed there was no associated eDoc for the \$301.65. Cash Operations then thought the checks were for KFS invoices instead, but could not locate any invoices that matched the total(s) of the checks either.

Cash Operations reached out to the department, who stated they were unsure what the checks were for and did not want to hold onto them for any longer. After 1 week, the department failed to enter an eDoc, and Cash Operations returned the checks to the sender.

CASE STUDY #3: RISKY BUSINESS

A staff member responsible for collecting and depositing payments for their department had to unexpectedly go out on a long-term leave. Because the department is small and comprised of only a couple staff, she was the only person who knew the department's process for accepting and depositing payments.

Another staff member was asked to fill in, and had to self-teach how to accept and deposit payments. In looking for previous examples, he noticed that the department's internal electronic system showed that customers paid their bill with cash but he could not locate the corresponding deposits in KFS. He could only find check deposits.

Upon further research, it was determined that the regular staff member accepted cash payments, provided receipts to the customers, marked the customer paid in the department's internal system, but never recorded the receipt of funds in KFS. Nor was there any backup to support the cash was delivered to Cash Operations or delivered to the bank.

CASE STUDY #4: SHOW ME THE MONEY

Cash Operations received a deposit from a department that contained multiple checks. Upon verifying the deposit, Cash Ops realized the deposit was short one check. Cash Operations emailed the department to have them deliver the check as soon as possible.

The department responded that they had already brought their deposit to Cash Operations and all checks were included. However, based on the listing of checks included on the KFS eDoc, a check was definitely missing. Cash Ops went on a hunt. They searched garbage and recycling bins, floors, under desks, reviewed cameras, and the check did not turn up.

After multiple correspondences with the department, the department located the check between a desk and the wall in their office. They delivered the check and Cash Operations finalized the deposit.

NEXT UP: BASICS OF CASH DEPOSITING AT UCONN



SUBMITTING CORRECT TYPE OF EDOC

Cash Receipts (CR) eDocs are used when cash and/or checks are brought to Cash Operations for deposit.

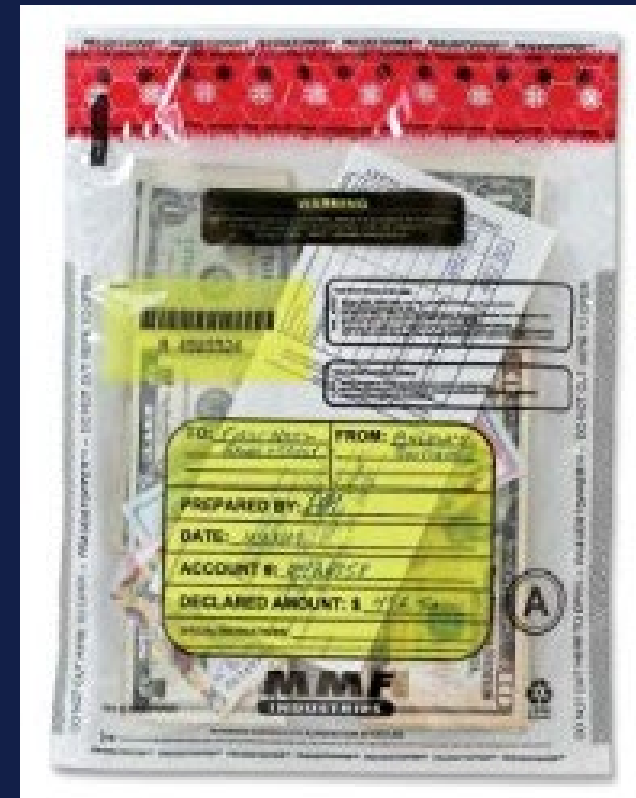
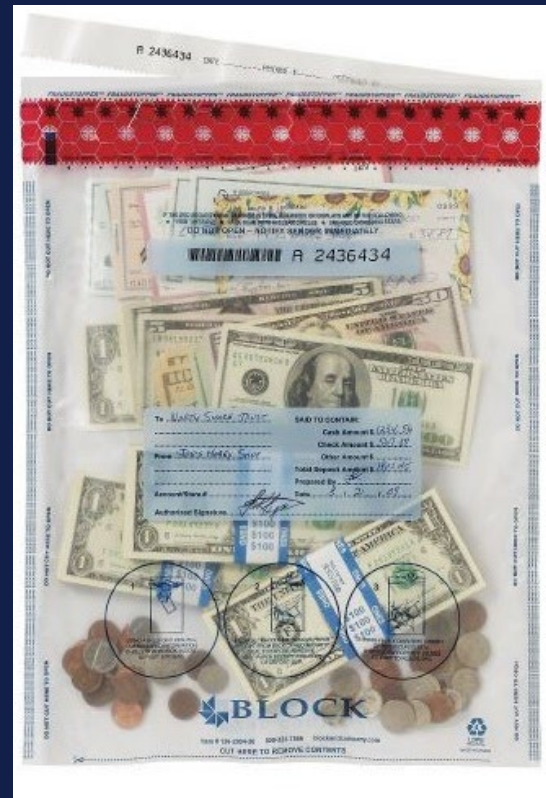
Advance Deposit (AD) eDocs are used when funds are credited directly to Bank of America and do not come through Cash Operations.

Reminder!

Documentation agreeing to the deposit total must be attached to each eDoc, regardless if you are submitting a CR or AD

DELIVERING THE DEPOSIT (CRs)

All deposits brought to Cash Operations must be delivered in a sealed fraud-stopper bag. These bags can be obtained from Cash Operations or you may use your own as long as they are tamper-proof.



DELIVERING THE DEPOSIT CONT.

Two copies of the Cash Receipt Form, which can be found on the Cash Ops website, should be filled out and left outside the bag.

UCONN UNIVERSITY OF CONNECTICUT		
Originating Department:	Your Department	
Date :	today/2016	
Cash Receipt Bag #:	HH123456	
Cash Total:	\$5.00	
Check Total:	\$25.00	
Total Received:	\$30.00	
Proof of delivery stamp will be placed here by Cash Operations Staff.	Edoc numbers	Total deposit
	2224570	\$30.00

This receipt is your proof of delivery to Cash Operations and should be retained by your department as backup documentation for that day's deposit.

DEPOSITING TO BANK OF AMERICA - ADs

- **Remote Deposit Scanners (RDS) allow departments to scan their checks directly to BoA.**
 - Eliminates the need to walk over to Cash Ops
 - Helps ensure timeliness of depositing
 - Don't have one yet? Let us know and we can order you one for free!
- Securely store checks deposited via RDS for two months, and then shred
- **Select areas on campus utilize Brinks (formerly Dunbar)**
 - Brinks picks up cash deposits daily and delivers to Bank of America Cash Vault
 - Checks should still be deposited through RDS
 - Appropriate for larger departments with a high cash volume to reduce risk of carrying cash across campus to Cash Ops



Checks

- When receiving checks, the date the check is received should be indicated clearly on the check.
 - It is this date by which the CGS 4-32 clock starts running.
 - For example, you might receive a check today that is dated October 1. By indicating that you received the check today by writing or stamping on the check, it clearly illustrates to Cash Operations and auditors reviewing the transactions, WHEN the check was actually received.
 - Why is that important? It confirms unequivocally if you are depositing funds in compliance with the state statute.

TIME TO CHECK THE CHECK!

John Doe
123 Main St
Anywhere US 10111

Rec'd by SOM
12/20/2016

Date 11/21/2016

790
1-678/1239

PAY TO THE ORDER OF UConn Dept. of Extension

150.00

One Hundred dollars ----- DOLLARS

Your Bank
456 Main St
Anywhere US 10111

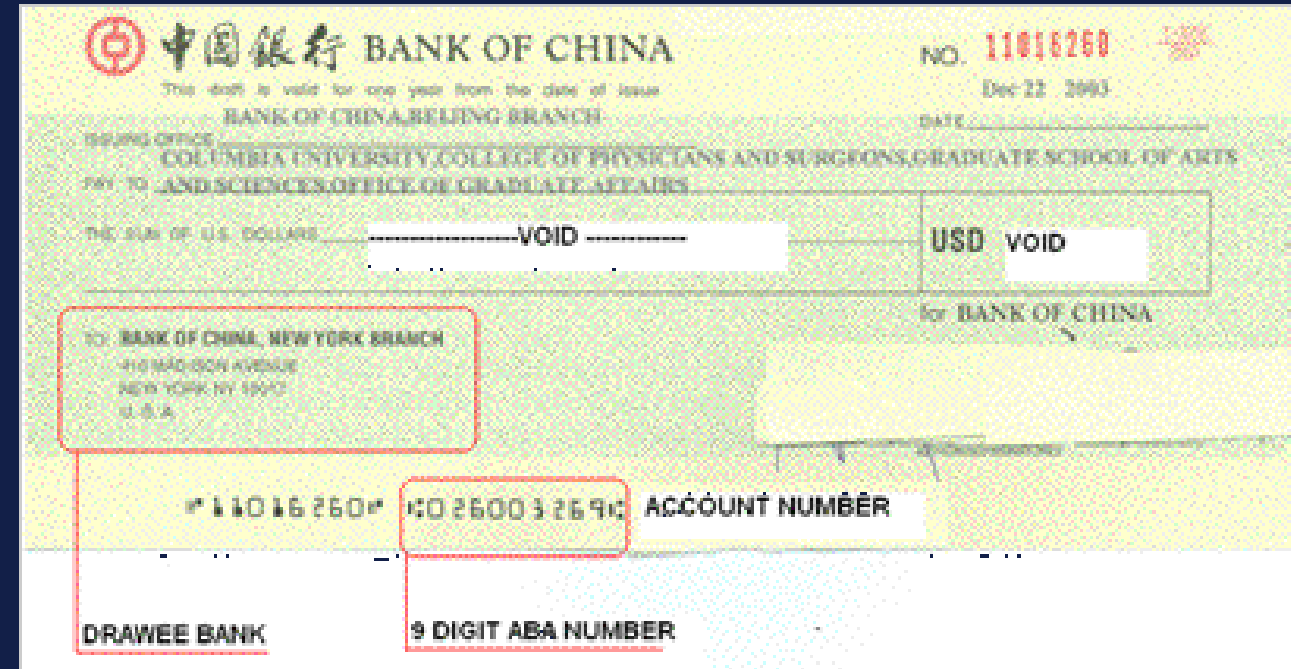
MEMO _____

⑆ 123456789 ⑆ 1001001234 ⑆ 0790

What if the check is made out to an individual (ex: a professor) but intended for UConn deposit?

FOREIGN CHECKS

- Checks must be drawn on a U.S. Bank.
 - Checks drawn on a foreign bank (including Canada) will be returned to the department.
- To determine if a check is foreign, check for these three things:
 - Is it written in USD?
 - Is the location of the drawee bank on the check outside the U.S.?
 - Is there a nine digit ABA number printed on the bottom line of the check?



COUNTERFEIT BILLS: SECURITY FEATURES



Hold bill up to the light and look for the holograph of the face image on the bill. The images should match. This is a watermark in the paper that can be seen from both sides of the bill.



There is a thin vertical strip containing text that spells out the bill's denomination, for example, USA TWENTY.



Color shifting ink – the numeral in the lower right hand corner has color shifting ink.



Microprinting – location and text of microprinting is specific to denomination. To learn more about this feature visit [U.S. Currency Education Program](#)

COUNTERFEIT BILLS: IDENTIFYING THE FAKE

Best Practice is to check all bills \$20 and higher

- Look/Feel - Counterfeit bills often have a different feel than real cash
- Mark bill with a counterfeit detecting marker - Marks will be invisible/yellow on authentic bills but show as black/brown on a fake.



Possible Fake

COUNTERFEIT BILL: NOW WHAT?

Call	Call UCPD as soon as possible after receipt and identification of suspect bill
Keep	Keep handling of the bill to a minimum. If possible, safeguard bill in a plastic bag until police arrive.
Request	Request presenter of bill stay until police arrive but do not force them. Chances are, the individual presenting the bill is unaware that it is a fake.
Report	Complete Accountability Form C1 on the Controller' website. Information from C1 is used to report loss or damage to the State Comptroller monthly.

MAKING CHANGE

- Change Funds are administered by Cash Operations, including increases and decreases of fund
- Only purpose of a Change Fund is to provide change for cash payments received for goods or services
- The amount on hand must remain constant and should be verified daily
- Submit Change Fund Request Form to Cash Operations to establish fund



Bottom line - If your department has cash on hand to use for making change, it *must* be accounted for in KFS

OVER/UNDER GUIDELINES

Any overages/shortages in your cash deposit and/or change fund must be properly recorded in KFS

- Record full revenue to department's KFS
- Any over/under amounts recorded to object code 1122
- Attach over/under form to eDoc
- Submit Accountability Form C1 on Controller's website to report loss
- Over/Under Amounts in Change Fund
- **Regardless of amount, if the shortage is a result of suspected or documented theft, the shortage must be reported immediately to the Bursar, Controller, and University Police.**



ANNUAL TRAININGS

Mandated Training must be completed annually by all relevant employees, staff or student.



It is the department's responsibility to ensure all appropriate staff complete the annual trainings



Training will be announced by postings in the Daily Digest, and direct outreach to Cash Handling and Merchant Manager Outlook groups



Training is generally available in late Fall with a deadline for completion of 12/31 unless specified otherwise

Cash Handling Training

Successful completion of training is now required in order to have access to initiate depositing KFS eDocs (CR, AD, CCR)

Anyone who does not complete training by December 31st will have access to these eDocs revoked

Training will be available through SABA instead of HuskyCT. (We will still offer a training through HuskyCT for student employees since they cannot access SABA)

An on-going training will be available for new hires. Completion of training is required before being granted access to initiate depositing eDocs

KFS Access Request forms will have a separate option to request access to initiate these eDocs. Requests will route to Cash Operations for confirmation of completed training.

PCI Training

Payment Card Industry (PCI) Training is an annual requirement for anyone involved in the handling or processing of credit card payments or with access to a processing environment.

Employees with access to the Touchnet Marketplace system or departments who have an existing merchant account for processing credit cards are required to complete this annual training

Training is currently available through the learning platform knowbe4, which is used by ITS.
<https://training.knowbe4.com/ui/login>

Join Our Groups!

- Cash Operations has created the following groups in Outlook to easily communicate with relevant populations when needed.
- **UC Cash Handlers** – everyone handling cash at UConn should be in this group.
- **Marketplace Managers** – MP Merchant & Store Managers should be in this group.
- **Incoming Payments** – Anyone expecting funds via ACH or wire from an outside vendor should be in this group.
- Please email cashoperations@uconn.edu and ask to be added to any or all of these groups if you want to stay in the know.

ENOUGH ABOUT YOU, WHAT ABOUT US?

We not only talk the talk, but we walk the walk!

- **Proper documentation:** We log all delivered deposits and all checks received in the mail for KFS invoices; Post all student payments directly into PeopleSoft
- **Security:** Cash Ops is in a secured office with security cameras; Funds are stored in a vaulted safe overnight; Limit staff who have access to the vault; Deposits are kept in sealed bags until verified
- **Separation of Duties:** Staff who logs deposits does not also verify deposits; Our own cash deposits are counted by two different staff and compared to KFS/PeopleSoft prior to sending to the bank
- **Timeliness:** We scan checks to BoA through RDS daily; All cash deposits are picked up by Brinks the following business day after being received by our office; Adhere to State requirements of coding deposits
- **Reconciliation:** Bursar staff, outside of Cash Ops with no access to approve eDocs or post payments in PeopleSoft, reconcile our postings and approved eDocs daily

LAST CASH OPS TOPIC: ACCEPTING CREDIT CARD PAYMENTS

- Significant level of responsibility with accepting credit card payments
 - Huge risk!
 - Serious consequences if not compliant
- Payment Card Industry Data Security Standards (PCI DSS)
<https://www.pcisecuritystandards.org/>
- Recent changes to accepting credit cards at the University

WHAT ARE THE OPTIONS?

UConn Marketplace

Allows departments to create and manage their own uStores (online storefront)

Also offers secure P2PE in-person credit card terminals

Compatible with hundreds of third party vendors (TouchNet Ready Partners) for departments who need a more robust platform

Only cost to the department is monthly processing fees with Global Payments

https://secure.touchnet.com/C21646_ustores/web/index.jsp

WHY MARKETPLACE?

Streamlines vendors involved in credit card payment processing as well as eliminates need for multiple merchant accounts	Meets the highest PCI DSS level requirements	System is hosted by TouchNet and not on UConn servers – greatly reduces the University’s PCI scope
Offers P2PE POS devices – Point-to-Point-Encryption is now standard for all in-person credit card payments	Majority of PCI compliance responsibility is centralized between ITS and Bursar’s Office	Have used TouchNet for student related online payments since 2005

SOUNDS GREAT! HOW DO I GET STARTED?

- **Visit our website:**

<https://bursar.uconn.edu/uconn-marketplace/>

- **Review the Marketplace Guidelines**
- **Submit the Marketplace Request Form**

PHEW, THAT WAS A LOT! HAVE MORE QUESTIONS?

Open Monday – Friday from 8:30-4:30

Email us at cashoperations@uconn.edu

More resources available on our website:

<http://bursar.uconn.edu/cash-operations-3/>

Sherri Manis - Manager of Cash Operations

Jeanine Lavigne – Cash Operations Supervisor

TBD– Incoming Departmental Deposits

Amanda Ehrhardt – Incoming Student Payments

Carrie Noheimer – Outgoing Student Disbursements

Farhana Azmat – Outgoing Accounts Payable Disbursements



NEXT TOPIC!

Non-Student Accounts Receivable

ABOUT US/MISSION STATEMENT

The mission of Non-Student Accounts Receivable is to ensure the accuracy and integrity of the non-student accounts receivable balances in the University's general ledger.

Our goal is to assist departments in maintaining compliance with university policy and standard operating procedures, as well as strengthen internal controls as they relate to accounts receivable.





LEARNING OBJECTIVES

Learn the proper way of invoicing at the University and understand the benefits of invoicing through KFS as opposed to an external departmental system.

Learn where to find resources and where to ask for assistance with questions related to invoicing.

NON-STUDENT RECEIVABLES INVOICING POLICY

POLICY STATEMENT

University departments/units are required to invoice customers at the time goods and/or services are rendered utilizing the Kual Financial System (KFS). The Office of the Bursar may grant exceptions to this policy after ensuring the department/unit's alternative billing methods adhered to proper internal control procedures.

<https://policy.uconn.edu/2014/11/25/non-student-receivables-invoicing-policy/>

BENEFITS OF KFS INVOICING

- Upon creation of the KFS Invoice, the KFS Account is credited immediately – funds the balance right away
- Removes the responsibility of payment receipt from the department and reduces the risks associated with handling funds
- Tracking of receivables can be done within KFS at the Organization, Account, and Customer levels
- Use of services by Accounts Receivable Office including quarterly e-statements; quarterly mailed statements; collection calls/notices; and outside collection efforts



BENEFITS OF KFS INVOICING, CONT.

- Invoices are housed electronically along with any supporting documentation (via Notes & Attachments)
- Receivables are properly reported in the General Ledger and Financial Statements
- Compliance with university policy
- Reduce potential audit findings



DEPARTMENT EXPECTATIONS

- Customer creation
- Invoice creation and submission to customer
- Reviewing Customer History Report & Customer Aging Report
- Payment/Remittance
- Customer Credit Memo



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CUSTOMER CREATION



Confirm not an existing customer



Last Name, First Name



Accurate and as much data as possible, email is a required field – e-statements



Collection status always 'CURRENT'



NEW

Customer Number:	
* Customer Name:	Husky, Jonathan
* Customer Type:	IO - Individual-other
Customer Alias1 Type:	
Customer Alias1:	
Customer Alias2 Type:	
Customer Alias2:	
* Collection Status:	CURRENT



NEW

Customer Number:	
* Customer Name:	Jonathan Husky
* Customer Type:	IO - Individual-other
Customer Alias1 Type:	
Customer Alias1:	
Customer Alias2 Type:	
Customer Alias2:	
* Collection Status:	CURRENT

INVOICE GENERATION

- Enter all required fields
- Be descriptive in document description – should not be repetitive text
- Review naming conventions on A/R website
- PO# and customer Contact Name (**required field for all UCHC invoices**)
- Use notes and attachments to include any additional invoice detail or to include record of correspondence with the customer.
- Department sends initial KFS invoice to customer
 - KFS does not email or mail invoices to customer (neither does AR)

Once invoice is created, the account used in the e-doc receives revenue.

INVOICE
UNIVERSITY OF CONNECTICUT
STORRS MANSFIELD, CT 06269
FED ID #060772160

Page 1 of 1
Date 09/21/2016

CUSTOMER NUMBER: HUS19171
ATTN:

SHIP TO: HUSKY, JONATHAN
233 GLENBROOK RD
STORRS, CT 06415

INVOICE: 3879581
BILLED BY (DO NOT REMIT TO):
Bursar
PHONE: (860) 486-5995
FAX: (860) 486-2595
PREPARED BY: Angela Piela

PO/AGREEMENT NO:
PO/AGREEMENT DATE:

QTY	UNIT	DESCRIPTION	ITEM CODE	UNIT PRICE	TAX AMOUNT	AMOUNT
1.00	EA	3-TEST PANEL (BORRELIA, ANAPLASMA,		100.00	0.00	100.00

(additional invoice lines may be printed on the following pages)

NET 30 DAYS

PRETAX TOTAL:	100.00
TAX AMOUNT:	0.00
PAY THIS AMOUNT:	100.00

Detach & Return Lower Portion with Payment

PLEASE MAKE CHECKS PAYABLE University of Connecticut

INVOICE DATE: 09/21/2016
INVOICE: 3879581
CUSTOMER NBR: HUS19171
UC4305640

DUE DATE:	10/21/2016
AMOUNT DUE:	100.00

REMIT TO: UNIVERSITY OF CONNECTICUT
WILBUR CROSS BUILDING
233 GLENBROOK ROAD, UNIT 4231
STORRS, CT 06269

ATTN: HUSKY, JONATHAN
233 GLENBROOK RD
STORRS, CT 06415

00000010000 00003879581 0HUS19171 0

Basic Accounting of KFS invoicing: How Does it Work?

- Invoice is created:
 - Receivable is created (debit balance)
 - Revenue is credited
- Payment is received:
 - Receivable is relieved (credited)
 - Cash is increased (debited)
- What happens if the payment is never received?
 - If the department and UConn A/R has exhausted all efforts, after five years the invoice will be written off.
 - Receivable is reduced (credited)
 - REVENUE IS LOST – the balance in the revenue account is removed.
 - If the customer wants to do business with UConn in the future, written off invoice must be reinstated and paid.

CUSTOMER HISTORY REPORT

Departments should monitor the aging for their customers.

The **Customer History Report** in KFS provides detail on invoices created and payments received.

Customer History Report

Customer Number: WAY51317 WAYNE, BRUCE CURRENT

Balance Due: 300.00

Search Results ^{1-3 of 3}

Click on Document Number hyperlink to open eDoc details.

Document Type	Document Number	Document Description	Billing Date	Due/Approved Date	Original Document Amount	Unpaid/Unapplied Amount
INV	13921891	1557 Batmobile Service March 2024	2024/03/13	2024/04/12	100.00	0.00
INV	13921893	1557 Cleaning Batcave March 2024	2024/03/13	2024/04/12	300.00	300.00
APP	13921896	13921891		2024/03/13	100.00	0.00

Export options: [CSV](#) | [spreadsheet](#) | [XML](#)

Invoice (INV)

Payment application (APP)

Paid in full

Unpaid amount

CUSTOMER AGING REPORT

The **Customer Aging Report** in KFS provides information on balances owed to a department.

Search Results ^{1-15 of 15}

Customer Name	Customer Number	0-30 days	31-60 days	61-90 days	91-360 days	361+ days	Collection Status
(Other customer details omitted for privacy)							
WAYNE, BRUCE	WAY51317	300.00	0.00	0.00	0.00	0.00	CURRENT
(Other customer details omitted for privacy)							
TOTALS:	15 customers	\$350.00	\$1.00	\$6508.96	\$0.00	\$5630.98	

Export options: [CSV](#) | [spreadsheet](#) | [XML](#)

PAYMENT/REMITTANCE

All payments should be sent directly to Cash Operations with information on the customer/ invoice to which the payment should be applied.

Accounts Receivable should be the only department applying payments to invoices.

To determine if invoice was paid, a doc search on invoice can be performed.

Doc Nbr : 13921891	Status : FINAL
Initiator : dwl18001	Created : 01:24 PM 03/13/2024
Invoice Total Amount : 100.00	Open Amount : 0.00

Doc Nbr : 13921893	Status : FINAL
Initiator : dwl18001	Created : 01:37 PM 03/13/2024
Invoice Total Amount : 300.00	Open Amount : 300.00

Which of these invoices has been paid?

IF YOU RECEIVE A CHECK FOR AN INVOICE

- **If you receive a check for an invoice in KFS, do NOT enter any eDocs into KFS (no CRs, ADs, CTRLs, APPs, etc.).**
- If you have an RDS scanner, scan the check, complete the RDS Payment Log, and email the log to AR.
- If you do not have an RDS scanner, complete the Departmental Payments without RDS Log, email the log to AR, and hand-deliver the check to Cash Operations.
- **The same depositing timelines apply to all payments, regardless of whether they are for a KFS invoice or not!**
 - Within 7 calendar days if under \$500.00
 - Within 24 hours if \$500.00 or more

CUSTOMER CREDIT MEMO

- A customer credit memo (CRM) reverses the invoice in KFS. Reasons for this are: wrong customer billed, wrong invoice charged, services were not provided, charges are not valid, etc.
- All Credit memos approved by FO & A/R Manager
- If incorrect amount/ customer billed, create new invoice first and be sure to reference new invoice e-doc # in customer credit memo.
- If payment erroneously deposited on Cash Receipt or Advance Deposit, reference the e-doc on which the payment was deposited in the Notes and Attachments.
- **Adequate backup is required for CRM approval.**

IMPORTANT: REVENUE THAT WAS RECEIVED DURING THE CREATION OF THE INVOICE IS REVERSED!

The screenshot displays the KUALI FINANCIALS application interface. On the left is a dark navigation sidebar with the following items: Home, Action List, Doc Search, a 'Jump to...' search bar with 'Ctrl+K' shortcut, Accounting, Accounts Receivable & Cash (highlighted with a yellow circle and labeled '1.'), Administration, and More Items. On the right is the main content area titled 'Accounts Receivable & Cash', which contains a list of activities. The 'Customer Credit Memo' activity is highlighted with a blue circle and labeled '2.'. Other activities listed include Advance Deposit, Cash Control, Cash Drawer, Cash Receipt, Credit Card Receipt, Customer Invoice, Customer Invoice Generation, Customer Invoice Writeoff, and Payment Application.

CREDIT MEMO VS WRITE OFF

Credit Memo

- Customer Error (customer, date, address)
- Invoice item returned/service never provided/customer not satisfied*
- Duplicate Invoice
- Invoice Error (amount billed, KFS account)
- Payment received, invoice never relieved
- Customer disputes charge; cannot be proved
- Incorrect way of billing

When creating a credit memo, **you must provide sufficient backup justifying the reversal.** If you cannot provide sufficient backup, the Cancellation Form is required to be completed by Dean or Department Head with Controller approval.

*If the charge is valid, a Cancellation Form is required.

Write Off

- Customer is deceased
- Customer is bankrupt
- Invoice is deemed uncollectable after collections process
- Legal counsel makes settlement with customer

*Accounts are reviewed and prepared for approval on an annual basis by the Accounts Receivable Office.

VS

Accounts Receivable Dos and Don'ts



Send initial invoices from your department to your customers



Send internal department invoices to customers without invoicing in KFS



Include explanations/ backup and, if applicable, replacement invoices when entering credit memos



Create a new customer before confirming one doesn't already exist



Access your department's aging report monthly to monitor outstanding receivables



Enter an AD or CR when a payment is received for an invoice



Include specific details in invoice document description

What can you expect from US?

- Mail quarterly statements and dunning letters to past-due customers.
- Send quarterly email statements to all customers with valid email addresses.
- Perform collections on past due accounts – including sending accounts to third party collection agencies and for DAS tax offset.
- Assist customers with questions on how to pay and provide invoice copies upon request from customers.
- Guide departments on creating customers and invoices to ensure best practices are utilized.
- Provide general guidance for non-student accounts receivable processes and procedures.
- Be available for any questions your department may have regarding non-student AR.
- Provide trainings and training materials.



WHAT HAPPENS WHEN THE INVOICE DOES NOT GET PAID?

Quarterly Customer e-Statements

Are generated and emailed to the customer by the Accounts Receivable office to customers with invoices that have not been paid, regardless of whether they are past-due or not. These are courtesy statements to customers and do not progress the collections cycle.

Quarterly Customer Statements

Are generated and forwarded to the customer by the Accounts Receivable office. Customers who have outstanding invoices greater than 60 days receive a past-due letter requesting payment promptly.

Customers will receive at least 2 mailed statements along with dunning letters, if appropriate, before being eligible for collection agency placement.

Collection Agency Placement

AR notifies departments whose customers are eligible for collection agency placement, and when they are placed.

The commission cost for collection agency payments is charged to the department's KFS account.

SCENARIO

Your department invoices for Very Awesome Things to companies outside of UConn.

After providing Very Awesome Things to The Most Generic Company, you send The Most Generic Company a KFS invoice for \$500.00.

The Most Generic Company receives the invoice and instead of sending the check to Cash Operations, sends the check directly to you. 2 days later, you bring the check over to Cash Operations and complete a Cash Receipt e-doc.

The following month, The Most Generic Company receives a past-due statement from Accounts Receivable and calls stating they already made payment.

1. What went wrong?
2. What should have happened?
3. How do we fix this?
4. What might have caught this before The Most Generic Company received a past-due statement?

WHAT HAPPENS WHEN THE INVOICE DOES NOT GET PAID? (cont.)



DAS/Collections

If payment is still not received, customer is notified that the account will be sent to the Department of Administrative Services (DAS) for tax offset.

Additionally, the account may be sent to an outside collection agency. The University partners with Key 2 Recovery and Reliant Capital Solutions in attempts to collect past due balances.

WHAT HAPPENS WHEN THE INVOICE DOES NOT GET PAID? (cont., 2)

Write Off

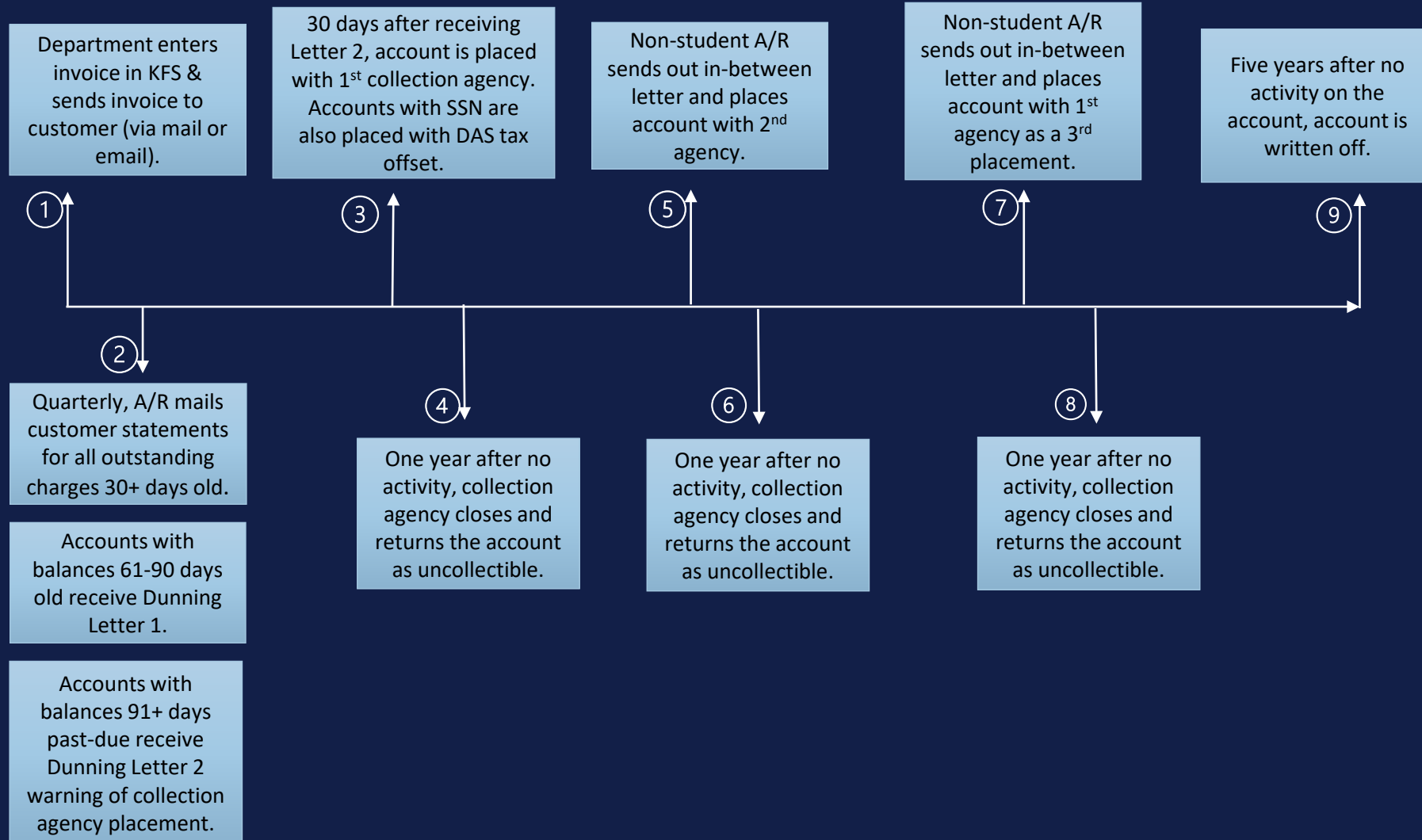
Once the University has exhausted all collection efforts, the Accounts Receivable office prepares accounts for the annual write off process. Once approved, an eDoc created by the AR office is entered in KFS reversing the outstanding invoice.

This also reverses the revenue that the department initially received.



[This Photo](#) by Unknown Author is licensed under [CC BY-NC](#)

COLLECTIONS TIMELINE



Revised 11/2023

QUICK TIPS / QUESTIONS



Website:

<https://bursar.uconn.edu/departments/accounts-receivable/>



Contacts:

accountsreceivable@uconn.edu – **please use this email address for all AR inquiries**, since it is a shared box



Angela Piela, Administrative Program Support 2

860-486-5995

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Dan Lis, Accounts Receivable Supervisor

860-486-1684

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QUESTIONS

