

## Cash Receipts Function

**Effective Date:** February 21, 2017  
**Function:** Treasury  
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### Basis for Procedure

On a daily basis, incoming payments are received, identified, deposited, and posted to outstanding accounts receivable invoices in the RF business system. The accurate and timely posting of cash receipts is critical to maintain accurate award cash balances and reduce outstanding deficits.

### Procedure Summary

This document provides an overview of the various activities involved in the Research Foundation's (RF's) Cash Receipts function.

### Cash Receipts Function Overview

Central Office (CO) Treasury or in some cases an operation location, receives payments from sponsors in the form of cash or checks, or through direct deposit into the RF's corporate checking account. As cash receipts are received the following activities are performed:

- Receive payments from customers (i.e., sponsor).
- Identify the award and invoice with which each receipt is associated.
- Deposit the payments to an RF bank account.
- Balance deposits against actual bank activity.
- Post receipts to the appropriate award in the RF business system.
- Monitor and reconcile cash receipts.

### Receiving, Identifying, and Depositing Cash Receipts

Checks and cash received each day are reviewed, identified, and deposited into the RF checking account at Key Bank or an alternate campus depository.

### Receiving and Reviewing Cash Receipts

Before the RF processes a check for deposit, perform a review of the check to detect any visual problems that could hinder its processing at the bank and result in the check being returned to the RF.

For more information refer to [Depositing Cash Receipts to an RF Bank Account](#).

### Identifying Cash Receipts

After a payment is received, identify the award number to which the cash receipt will be applied. This can be accomplished in either the Accounts Receivable or Grants Management module of the RF business system. For more information refer to [Identifying Cash Receipts](#).

After review and identification, prepare a transmittal for deposit and make copies of supporting documentation and original cash receipts. Refer to [Depositing Cash Receipts to an RF Bank Account](#) for

details on the process.

Some sponsors wire payments directly into the RF checking account. When a sponsor makes a direct deposit, the deposit is listed on the report of daily banking activity and is posted to the business system daily. Important! If operating locations are aware of incoming wire payments, they must notify CO Treasury [RFDeposits@rfsuny.org](mailto:RFDeposits@rfsuny.org) or the appropriate person at the location to ensure that an AR invoice is in the system for posting the cash receipt.

**Note:** In some cases, operating locations may not be able to identify the award number and/or customer. When this occurs, the cash receipt will remain in an unapplied status for later reconciliation. For more information refer to [Monitoring and Reconciling Unapplied Cash Receipts](#).

## Depositing Cash Receipts

Cash receipts can be deposited in two ways into an RF bank account:

1. bank deposit for cash and change and
2. remote deposit for checks.

During the deposit process, a second verification of deposit totals is performed, the bank deposit slip is completed, and the deposit is delivered to the bank. Or the remote deposit amount verified to deposit tape. Refer to [Depositing Cash Receipts to an RF Bank Account](#) for details on the process.

## Balancing Cash Receipts against a Bank Deposit

After the cash receipts have been deposited in the bank, verify the bank deposit slip against to the original transmittal form (the form used when the cash receipts were prepared). This must be completed before cash receipts are posted in the RF business system to ensure that any cash receipts that were not accepted by the bank are not posted to an award. Refer to [Balancing Cash Receipts](#) for details on the process.

## Posting and Balancing Cash Receipts in the RF Business System

After cash receipts have been received, identified, deposited, and balanced against the bank deposit, they are posted in the RF business system.

### Posting

Cash receipts are posted in the RF business system at the award level only. Refer to the work instruction [Post Daily Cash](#) for detailed instructions on posting cash.

Cash that cannot be identified for posting to a specific award and receivable record should be left unapplied for that customer. If the customer cannot be determined or if the customer, award, or receivable record was not on the transmittal for deposit, then the deposited amount should be posted to Suspense Customer.

### Balancing

After the receipts are posted, the entries made in the RF business system must be balanced against the deposited amount. Refer to [Balancing Cash Receipts](#) for details on this process.

## Monitoring and Reconciling Cash Receipts

Copies of all cash receipts and their associated backup must be scanned and electronically attached to the cash receipt in the RF business system.

Any receipts that cannot be identified and remain unapplied need to be reviewed by operating locations for assistance in the identification process. Run the [RF Unapplied Receipts Register](#) report in the RF business system to identify unapplied cash receipts. Refer to [Monitoring and Reconciling Unapplied Cash Receipts](#) for detailed instructions.

During the monitoring of Accounts Receivable invoices or the process of cash receipts reconciliation, operating locations may find one of the following errors:

Error	Corrective action to take	For more information...
A cash receipt is posted incorrectly.	Operating locations can move and adjust cash to specific sponsor invoices and distribute the cash among specific awards at their location	Refer to the work instruction <a href="#">Move and Adjust Cash Receipts</a> .
A cash receipt was posted to the RF business system and does not belong to the RF.	Return the cash receipt.	Refer to the procedure, <a href="#">Returning Receipts Deposited into an RF Bank Account in Error</a> .
A cash receipt is posted incorrectly and does not belong to the operating location	Contact <a href="#">RFDeposits</a> at CO Treasury with the following information: receipt number receipt amount award and/or AR invoice from which the receipt should be removed  The Cash Receipts group will move the receipt.	N/A

## Definitions

None.

## Related Information

None.

## Forms

None.

## Change History

Date	Summary of Change
February 21, 2017	Updated email and links. Updated information for clarity. No substantive changes.
October 21, 2005	Updated process, reorganized document, and added links to new cash receipt documents.
August 1, 2005	Fixed references to renamed documents; revised imbedded references.
May 15, 2001	Revise and update BC-A-40. Include cookbook information.

## Feedback

Was this document clear and easy to follow? Please send your feedback to [webfeedback@rfsuny.org](mailto:webfeedback@rfsuny.org).