

Business Office

General Accounting

Preface

The New Mexico Tech Business Office oversees **General Accounting** duties and responsibilities related to **Cash Receipting, Cashier Procedures and Services, Refunds, Tuition and Fee Payment, Accounts Payable, and IRS Reporting Requirements for Scholarships and Grants**. The following Policies and Procedures are detailed for those entities. For further information, please contact the Business Office at 505-835-5315. The

Business Office also contributes its share of quarterly reports as required by the state's **Fiscal Watch** program.

Cash Receipting

Definition

For the purposes of Cash Receipting, the term "monies" includes cash, checks, credit card payments, money orders, and other negotiable instruments whether received in person or by mail.

Cashier

The Cashier is housed within New Mexico Tech's General Accounting Office in Brown Hall, the centralized area for cashiering, depository, and collection functions.

Deposits to the Cashier's Office

Monies received by any other departments should be delivered to the Cashier's Office intact within 24 hours of receipt. Transactions are processed until 4 p.m., when the day's work is closed and balanced. Every effort should be made by cashiers to receipt all deposits on the day they are delivered.

All checks **over \$50,000** brought to the Cashier's Office will be on the day they are received whenever possible.

Bank Deposits

Bank deposits are made daily for the previous day's processing.

The Senior Accounting Technician is responsible for the daily banking. In his/her absence, or in case of time constraints, the Accounting Manager in the General Accounting Office will perform any banking tasks. If neither of the above is available, the cashiers should notify the office of the Associate Vice President for Finance to assign banking tasks to another employee.

Confirmation for all bank deposits will be returned to the Cashier's Office.

Internal Control Office

Purpose of internal control is to prevent or detect possible errors or irregularities involving monies. Internal control requires accountability to be maintained by the following

- Reconciling all bank accounts

- Monitors and reconciles loan funds

Foreign Checks

When a check drawn on a foreign bank is received, the Cashier's Office sends the check for collection before the office issues a receipt for the money. A copy of the original check is made and the back of the check is stamped with the deposit stamp to First State Bank. The check and its copy are sent to First State Bank where the cashier will initial and date the copy to acknowledge receipt. The Cashier's Office keeps a copy of the check in a file for collections until notified that the draft has been paid. When payment is received, the amount is received to the proper account and entered as a direct deposit.

The Cashier's Office cannot cash any checks, for any amount, drawn on a foreign bank.

Credit Card Payments

New Mexico Tech accepts payments made by MasterCard, Visa, Discover, and American Express. Credit card sale and refunds are sent electronically to the comptroller's account at First State Bank. Currently, credit card terminals are located at the Cashier's window, the New Mexico Tech Golf Shop, and at the Bureau of Geology and Mineral Resources.

Original Payment Made by Credit Card

If the original payment was made by credit card, the refund is credited back to the credit card account.

Billing and Reconciling Student Accounts Receivable

All student account receivables should be channeled through the Student Accounts Office (Brown 14) whose primary responsibility is to assist New Mexico Tech students with financial matters and questions. Other duties include:

- Preparing corrections and adjustments to student accounts; and
- Billing and collection of accounts receivable.

Petty Cash Disbursements

The reimbursement policy for purchases made is as follows:

- **Original receipt(s)** must be submitted to the Business Office along with an authorized signature for the account number being charged. The social/amenities form is also required if the expenditure falls into that category.
- If the **total amount is \$100 or less**: Reimbursement may be made in cash by presenting the original receipt(s) and proper authorization to the Cashier's Office or by check, by submitting the original receipt(s), proper authorization and proper payment request form.
- **Total amount over \$100**: Reimbursement will be made by check by submitting the original receipt(s), proper authorization and proper payment request form.
- All original receipts must include the name of the business where purchase was made, the amount of the purchase, the date of purchase and method of payment. If a personal credit card is used, the account number may be marked through.
- All purchases made by individuals must be in compliance with New Mexico Tech purchasing policies.

The reimbursement request will also require the approval of the accountant in charge of the account being used. The Cashier will direct payment requests to the appropriate office for all requests made at the Cashier's window. Requests for reimbursement by check will be routed to the accountants automatically.

The Cashier's Office has a "Petty Cash Reimbursement" form which lists all the requirements for reimbursement (please see Page 8). Use of this form will ensure that all necessary information is obtained.

Cashier Procedures and Services

Responsibilities of the Cashier's Office

The Cashier's Office is responsible for processing and handling cash and negotiable documents. More specifically, responsibilities include the following:

- Handling cash receipts
- Dispensing petty cash
- Cashing checks
- Processing accounts receivable adjustments and corrections
- Preparing bank transfers
- Preparing daily bank deposits
- Balancing the cash drawer daily

Payroll Checks

Payroll checks are printed and sorted by the Accounting Department.

Checks to be distributed at the Cashier's window are enveloped and held at the window for pick-up. Employees must present a valid picture ID to pick up their checks.

All stubs for checks that are directly deposited are mailed to the employee's campus department. It is our policy to mail only on campus unless the employee works out of Socorro.

Early release of a paycheck requires a written memo from the department head and approval from the Controller or a higher authority.

See Page 9 for New Mexico Tech **pay-date calendar** for students, faculty and staff.

Check Cashing Policy

Checks may be cashed for students and staff with a valid New Mexico Tech ID for up to \$100 per day. Anything over \$100 may be cashed if the money supply allows, and if approved by the Controller or a higher authority. Second-party checks also may be cashed with the same restrictions as above.

Post-dated checks are not accepted. All checks are promptly deposited (no checks will be held for later deposit).

No third-party checks will be cashed.

New Mexico Tech payroll checks will not be cashed on payday; however, on other days, the Cashier's Office may cash payroll checks up to \$100. New Mexico Tech payroll checks over \$100 may be cashed on days other than payday if the money supply allows and if approved by the Controller or a higher authority.

Returned Checks

New Mexico Tech uses a third-party collection agency to handle returned checks. A \$30 fee will be charged by the collection agency for all returned checks, and the issuer's check cashing privileges are suspended until the amount of the original check, plus associated fees are paid in full. After the second occurrence of a returned check, the issuer's check-cashing privileges are

suspended for one year. Payments by check or cashing of checks for anyone on the bad-check list is prohibited. Payments must be made in cash or by other guaranteed funds.

Credit Card Receipts

Credit card payments are electronically deposited to the Comptroller's account on a daily basis.

Refunds

Financial Aid Recipients

If a student received financial aid and subsequently dropped credit hours, any refund of tuition or fees as a result of the dropped hours is processed according to the following policies:

- **Scholarships:** If a student received a scholarship and the dropped hours reduce the student's enrollment below full-time, the tuition and fee refund is applied to the scholarship fund; no refund is issued to the student.
- **Other Financial Aid:** If the student received financial aid other than a scholarship and drops credit hours, the tuition and fee refund is applied as follows:
 - If the student withdraws, the tuition and fee refund is applied to the financial aid fund(s); no refund is issued to the student.
 - If the student remains enrolled, regardless of the number of credit hours, the refund is issued to the student.

Refund Applied to Outstanding Accounts Receivable

If an individual owes any money to New Mexico Tech and is eligible to receive a refund, the refund is not issued to the individual, but instead is applied to the deficient account. When the amount of the refund is less than the total account receivable, the refund is applied to the outstanding accounts in the following priority order:

- Tuition
- Other enrollment-based fees
- Short term loans and interest
- Housing
- Other accounts

When the amount of the refund is greater than the account receivable, the difference is refunded to the individual.

Refund Processing

Any New Mexico Tech department including the Cashier's Office may request refunds according to the following policies depending on how the original payment was received.

Original Payment Made by Cash

If the original payment was made by cash, money order, cashier's check, or traveler's check, the refund is issued on an immediate basis, as quickly as it can be processed.

Tuition and Fee Payment

Tuition and fee payments cannot be deferred. Students registered for any semester must pay tuition and fees on or before the tuition payment deadline.

Release of Transcripts

New Mexico Tech will not release transcripts, grades, diplomas, or letters of completion until the student has satisfied his/her financial responsibilities. Any student, whether sponsored or not, is ultimately responsible for **all** charges incurred during the course of the semester. They include but are not limited to the following:

- All charges to their student accounts
- Loans (such as Alumni loans)
- Loss of New Mexico Tech property*
- Checks which are returned by the bank

*** Loss of New Mexico Tech Property**

When a student has damaged or lost New Mexico Tech property and is being held financially responsible for such, the department must submit a memo, dated and signed by the department head, to Student Accounts (Brown Hall Room #14) with the following information:

- Student's name
- Student's SS# and/or ID#
- Amount of charge
- Detailed description of the property
- Date of incident

The student's account will be charged the amount designated on the memo plus any fees associated with the collection.

Checks Issued to a Department

When a student issues a check to a New Mexico Tech department and the check is subsequently returned by the bank, the following procedures will apply:

- The department will be notified and the amount of the check plus any associated fees will be deducted from the department's income account
- The amount of the check plus any associated fees will be charged to the student's account. The check will be held at the cashier's window for collection. After the debt has been satisfied, the check will be returned to the student, and the department's income account will be credited.

Submitting Payment

Students pay tuition and related fees at the Cashier's Office in person, by mail or via the web. Credit card payments are also accepted by phone.

Deferred Payment

Students who qualify for deferred payment **for room and board** must get approval for deferment from the Student Accounts Office on or before the payment deadline.

Tuition payments cannot be deferred. Payment of room and board for registered students may be deferred under certain circumstances, and must be approved by the Student Accounts Office on or before the payment deadline. All deferred charges must be paid completely before subsequent deferment will be granted.

Payment Made by a Third Party

New Mexico Tech will accept payments made by a third party or outside source/agency if an agreement stipulating to the terms of said payment(s) has been received.. Any refund must comply with the terms imposed by the third party or outside source/agency.

Some examples are:

- The student has a confirmed financial award in a sufficient amount to provide for full tuition payment and has no prior outstanding balances owed to New Mexico Tech.
- The student is eligible to receive Veteran's benefits under the provisions of Chapters 32 and 34 (G.I. Bill), is enrolling at New Mexico Tech for the first time, and has no prior outstanding balances owed to the university.
- The student receives either Veterans Survivor's or Dependent's benefits from the Veterans Administration, or Social Security Survivor's or Dependent's benefits from the Social Security Administration, and has no prior outstanding balances owed to New Mexico Tech. These deferments are approved based on documentation from the Veterans Administration or Social Security Administration.
- New Mexico Tech receives and approves a contract from a third party to pay a student's tuition and fees. If the offer is deemed acceptable, New Mexico Tech will bill the third party for full payment.

Tuition Benefits Program

New Mexico Tech offers a series of tuition waiver program to its employees and their immediate families.

Program I

For employees with one year of service, full resident tuition assistance is offered for dependent children who are enrolled as regular full or part-time students.

Program II

The second program offers a full resident tuition waiver for up to three credit hours each semester to regular employees and their immediate families (spouse and dependent children).

Program III

All employees taking non-credit Community College courses will have one-half of the tuition for those courses waived.

Accounts Payable

Accounts Payable paperwork is sorted and checked by the Administrative Services Coordinator. Documents are then routed for necessary accountant approvals and additional authorization, if necessary. Completed payment documents are returned to Accounts Payable for payment.

Accounts Payable batches are posted in General Accounting and checks are printed by the Senior Accounting Technician. After printing, the checks are returned to Accounts Payable for mailing and filing. Any void checks are forwarded to Internal Control for prompt entry into the financial system.

IRS Reporting Requirements for Scholarships and Grants

In order to comply with Internal Revenue Service requirements (mandated under Section 6050(a), in connection with Hope Scholarship and Lifetime Learning credits), New Mexico Tech is required to file an information return (IRS Form 1098-T, Tuition Payment Statement) on behalf of New Mexico Tech students. Information submitted in the form will include, but will not be limited to, a student's current enrollment status and specific applications of scholarship and grant monies which the student received to fund their tuition and fees. The university must file Form 1098-T at the end of the calendar year, both with the IRS and with the student/taxpayer to also file for certain federal income tax credits, such as the Hope Scholarship and Lifetime Learning credits.

Fiscal Watch

The Fiscal Watch program was established by the New Mexico Legislature during its 2004 session to provide new certification procedures for the financial status of institutions of higher learning. Its purpose is to compare the original budget for actuals per quarter. Fiscal Watch requires colleges and universities to provide quarterly financial reports to the CHE and DFA comprised of a:

1. Balance sheet;
2. Statement of cash flows;
3. Comparison of operating and plant funds for two fiscal years;
4. Statement of cash flows; and
5. Summary of operating and plant funds

Note: Items 1 and 2 fall under the purview of the New Mexico Tech Business Office. The Office of Budget and Analysis is responsible for items 3, 4, and 5.

Bi-Weekly Schedule of Payroll for First Half of FY 2004-2005

<u>Month & Year</u>	<u>Payperiod</u>	ALL Payroll changes DUE by 5 P.M.	<i>Timecards DUE 9 A.M.</i>	Payday
July 2004	June 14 to June 27	Wednesday June 23	Monday June 28	July 02
	June 28 to July 11	Wednesday July 7	Monday July 12	July 16
	July 12 to July 25	Wednesday July 21	Monday July 26	July 30
August 2004	July 26 to Aug. 8	Wednesday August 4	Monday August 9	August 13
	Aug. 9 to Aug. 22	Wednesday August 18	Monday August 23	August 27
September 2004	Aug. 23 to Sept. 5	Wednesday September 1	<i>FRIDAY</i> <i>Sept. 3 by 12 NOON</i>	September 10
	S ept. 6 to Sept. 19	Wednesday September 15	Monday September 20	September 24
October 2004	Sept. 20 to Oct. 3	Wednesday September 29	Monday October 4	October 8
	Oct. 4 to Oct. 17	Wednesday October 13	Monday October 18	October 22
November 2004	Oct. 18 to Oct. 31	Wednesday October 27	Monday November 1	November 5
	Nov. 1 to Nov. 14	Wednesday November 10	Monday November 15	November 19
December 2004	Nov. 15 to Nov. 28	Wednesday November 24	Monday November 29	December 3
	Nov. 29 to Dec. 12	Wednesday December 8	Monday December 13	December 17
	Dec. 13 to Dec. 26	Wednesday December 15	<i>Wednesday</i> <i>Dec. 22 by 12 NOON</i>	December 30