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## Cash Management Plan

Authority: [Cash Management Policy Statement G.S. 147-86.10](#)  
[Daily Deposit of Funds to Credit of Treasurer G.S. 147-77](#)  
[Investments Authorized for General Fund Investments... G.S.147-69.1](#)  
[Administration of State Treasurer's Investment Program G. S. 147-69.3](#)  
[Collection of Processing Fee for Returned Checks G.S. 25-3-506](#)  
[Statewide Accounts Receivable Program G. S. 147-86.22](#)  
[Cash Management Policy for the State of North Carolina](#)  
[Charging Interest and Late Pay Penalties G.S. 147-86.23](#)  
[SODCA Limitation for Schools of Medicine G.S. 105A-2\(9\)](#)  
[Conditional Continuing Employment, Making Restitution and Exemption](#)  
[Related to Health Care Services failing to make Restitution G.S. 143-553](#)

History: First Issued: January 3, 2005  
Last Revised: March 24, 2025

Related Documents: [ECU Merchant Card Processing](#)  
[ACH Payment and Collection Processing](#)  
[Guidelines to Departments for Cash Receipting and Receivables](#)  
[Cash Receipting Procedures Template](#)

Additional References: [Statewide Cash Management](#)  
[NC OSC Statewide Accounts Receivable Program](#)  
[Cash Management in Emergency Situations](#)

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Note: Some files linked within this document may not be viewable without additional security access.

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### 1. Introduction

North Carolina law, Chapter 147-86.10 of the General Statutes, requires that “all agencies, institutions, departments, bureaus, boards, commissions and officers of the State...shall devise techniques and procedures for the receipt, deposit, and disbursement of moneys coming into their control and custody which are designed to maximize interest-bearing investment of cash and to minimize idle and nonproductive cash balances.”

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## 2. Plan Administration Requirements

The State Controller, with the advice and assistance of the State Treasurer, the State Budget Officer, and the State Auditor, is charged with developing and implementing a uniform statewide plan to carry out the cash management policy for all State agencies, departments, and institutions. This Statewide Cash Management Plan outlines the policies, duties, responsibilities, and requirements for cash management within State government on a broad basis. It is the responsibility of East Carolina University, hereafter referred to as “ECU” or “University,” to prepare a cash management plan that meets both the requirements of the Statewide Plan and the unique cash management needs of the University.

The Associate Vice Chancellor for Financial Services is responsible for developing, administering, and maintaining the University’s Cash Management Plan. The Vice Chancellor for Administration and Finance is responsible for approving the University’s Cash Management Plan.

Plans will be submitted to the Office of the State Controller for approval. Once approved, the Associate Vice Chancellor for Financial Services will maintain a copy of the approved plan and make available the approved plan for inspection upon request. The Approved Plan will also be prominently displayed on ECU’s web page. As changes in cash operations are identified that impact the Cash Management plan, the Office of the State Controller will be notified in writing. Depending on guidance from the Office of the State Controller, either the change will be submitted for approval on a section-by-section basis, or the entire plan will be re-submitted for approval. Regardless, ECU will submit its cash management plan to the Office of State Controller annually. The State Auditor has the authority to determine if the University complies with the Statewide Cash Management Plan.

- 3. Cash Management over Receipts:** The objective of cash management over receipts is to use diligence in collecting funds owed to the State, to provide internal control over cash and cash equivalents and to expedite the movement of monies collected into interest bearing accounts. To accomplish these objectives, the University abides by the following rules:

Rules: Except as otherwise provided by law, all funds belonging to the State of North Carolina, and received by an employee of the State in the normal course of their employment shall be deposited as follows:

All monies received shall be deposited with the State Treasurer pursuant to G.S. 147-77 and G. S. 147-69.1.

Monies received in trust for specific beneficiaries for whom the employee-custodian has a duty to invest shall be deposited with the State Treasurer under the provisions of G. S. 147-69.3.

Monies received shall be deposited daily in the form and amounts received, except as otherwise provided by law.

Depositary Services for ECU's Health Sciences Campus prepares its deposits generally by 2:00 pm daily for transfer to the Main Campus Cashier's Office. Other University receipts are delivered to the Main Campus Cashier's Office daily as well. The Main Campus Cashier's Office prepares a daily deposit comprised of departmental deposits and student receipts. Both Main Campus and Health Sciences Campus deposits are transported to a local branch of Wells Fargo® for processing via an armed security service. This ensures the deposits are processed by 4:00 pm daily.

The Office of State Treasurer has approved an exemption to the daily deposit statute for the Dental Medicine Community Service-Learning Centers, the Country Doctor Museum, the Brody School of Medicine's Federal Agricultural grant, and degree verification for Registrar's Office if deposits are made at least weekly or when the funds are greater than \$5,000.

Various events or actions on the University campus require receipt of funds in vending machines of various places. Vending receipts are collected regularly from machines campus wide. The physical collection of receipts triggers a daily deposit of funds.

The University Cashier's Office accepts the following payment methods: cash, check, PIN based debit cards, e-check, and certain credit cards via TouchNet. Reference is made to ECU's Cashier's Office Standard Operating Procedure *Cashier Methods of Payment*. Payment methods accepted by Depositary Services for the Health Sciences Campus are cash, check, credit cards, PIN based debit cards, and EFT.

Payment methods accepted by Main Campus Research Administration and Health Sciences Contracts Receivable Offices are check, wire transfer and EFT. Contracts Receivables Offices within the Health Sciences Campus direct payments to a lockbox.

In accordance with G.S. 25-3-506 and effective April 1, 2021, the university charges a thirty-five-dollar (\$35.00) process fee for a check on which payment has been refused by the payor bank because of insufficient funds or because the drawer did not have an account at that bank. Additionally, the University charges student accounts a thirty-five-dollar (\$35.00) process fee for e-checks (ACH Payments) returned for whatever the reason. For student accounts, the returned check is posted to accounts, creating a balance due. Hold tags are placed on the student account – blocking registration, and issuance of transcripts until the balance is paid in full. Non-student returned checks are charged to the revenue account where the funds were originally receipted; departments are expected to pursue collection of the returned check amount and the \$35.00 processing fee.

The Main Campus Cashier's Office follows strict safeguarding procedures such as separate locking cash drawers and panic buttons. Other safeguarding practices are in place to protect University assets but are not publicly disclosed.

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The Health Sciences Campus Depository Services Office follows similar safeguarding procedures as Main Campus Cashier's Office.

Main Campus cashier processes student payments for main campus, Continuing Studies, Brody School of Medicine, and School of Dental Medicine. Student payments received via U.S. mail are opened under dual control, scanned, and indexed to student accounts. The scanning process generates a check log that is used in cashier daily balancing.

Health Sciences Campus Depository Services receives medical and dental payments in the clinical areas for services rendered. As payments are received, staff enters the payment information in the patient billing system and issues receipts. Daily receipts and activity reports are reconciled and transferred to Health Sciences Campus Depository Services for deposit daily. Depository Services receives patient payments, as well. In those instances, copies of payment and deposit information are sent to Patient Billing Departments, which is now handled in partnership with ECU Health, so that patient accounts can be properly credited. Using the deposit information provided the billing department can reconcile payments posted to payments received and deposited.

Research Administration receives sponsor payments via wire, ACH, paper check, and NCFS (North Carolina Financial System) transfers. The office maintains payment logs for all payment types.

Departments involved in the receipting process must develop internal procedures per the ECU Cash Management Plan and [Guidelines to Departments for Cash Receipting and Receivables](#).

If after thorough research the University determines, it is not entitled to an amount received and deposited on behalf of the University, that amount is refunded to the individual/entity that originally remitted the payment. All research is documented and maintained for review upon request.

4. **Receivable Management:** Monies due to ECU from students, private persons, and/or governmental agencies for student account balances are promptly billed, collected, and deposited. ECU has established accounts receivable management policies and procedures and has incorporated guidance from the Office of State Controller's "Statewide Accounts Receivable Program." [Statewide Accounts Receivable Program G. S. 147-86.22](#).

- a) **Student Receivables Management:** ECU's Student Financial Services (SFS) is responsible for billing, collecting, and depositing tuition and fee amounts for Main Campus, Offices of Continuing Studies, Global Affairs, Brody School of Medicine, and School of Dental Medicine. SFS bills student accounts weekly and uploads billing statements via TouchNet for students and authorized users to view.

SFS expects accounts to be paid in full by the published Academic Calendar deadlines to avoid schedule cancellation for non-payment. Student sponsorships, outside scholarships,

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military benefits, financial aid, and other identified funding sources are considered when determining if a student's schedule is paid – thus protected against schedule cancellation. SFS utilizes account holds routinely to prevent future registration if balances on student accounts are still outstanding.

SFS works diligently with enrolled students to ensure balances are paid timely. Once the student is no longer enrolled, the student's account is subject to formal collection procedures including but not limited to: (a) Assessment of interest at the current published rate set by the North Carolina Department of Revenue; (b) Assessment of a one-time late payment penalty of 10% (of principle balance) prior to the delinquent account being referred to the Attorney General's office; (c) Referral to the Attorney General's office; (d) Submission to the North Carolina Department of Revenue for setoff debt collection; (e) Submission to collection agencies under contract via the bid process managed by the Attorney General's office; (f) Review for State Employees Debt Collection; (g) Securing a formal pledge to pay by executing a promissory note; and (h) Participating in payroll deduction.

SFS defines its receivable system, and its collection processes in its Standard Operating Procedures. Reference is made to ECU's Cashier's Office Standard Operating Procedure *Student Account General Collections*. SFS establishes an allowance for uncollectible accounts annually. The analysis considers annualized write-off percentages, aging of accounts and some specific identification of accounts as needed. The allowance account is replenished by debiting a contra revenue account. Reference is made to ECU's Cashier's Office Standard Operating Procedure *Student Allowance for Doubtful Accounts*

SFS has established procedures for writing off uncollectible accounts. The guidance recognizes threshold limits approved by the Attorney General's Office and the Office of State Controller. Additionally, other circumstances that may result in an account being written off are identified. Reference is made to ECU's Cashier's Office Standard Operating Procedure *Student Accounts Bad Debt Write Off*.

- b) ECU Health Physicians (ECUHP) Patient Receivables Management:** ECU Health Physicians is the medical faculty practice plan of ECU's Brody School of Medicine within the Health Sciences Campus. ECUHP is responsible for billing and collecting patient charges. Receipts are forwarded to Health Sciences' Depository Services and that office is responsible for accumulating receipts and for preparing a consolidated deposit. Patient accounts are billed monthly. ECU has contracted with ECU Health, through a joint operating agreement to collect patient payments on behalf of ECUHP, and the funds are transferred from ECU Health to an ECU JP Morgan bank account.

ECUHP derives charges for the provision of medical services. The accounts receivable are primarily comprised of balances due from insurance companies and government payers, such as Medicare and/or Medicaid. These receivables are managed in accordance with insurance contractual and regulatory standards. Amounts due from patients,

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including residual balances after third party payment, are billed monthly and considered delinquent when they become 90 days in arrears.

ECUHP's threshold for pursuing delinquent amounts is \$3.00, based on Medicaid recipient's co-pay rate being set at \$3.00. Medicaid expects providers such as ECUHP to vigorously pursue collection of the co-pay if this amount is not paid at the time of service.

ECUHP works diligently with patients to ensure balances are paid timely. Patient accounts are considered past due when they are 90 days in arrears and are subject to formal collection procedures including submission to collection agencies under contract via the bid process managed by ECU's Materials Management.

ECUHP's use of Setoff Debt Collection is limited to debt as defined by G.S. 105A-2(2)f which limits debt to amounts owed from services rendered at a time when the individual was covered by commercial insurance, Medicaid, Health Choice, Medicare, Medicare Advantage, a Medicare supplement plan, or any other government insurance.

Effective 2012, G. S. 143-553(a) prohibits ECU's Division of Health Sciences from pursuing the termination of employees paid in part or whole with state funds for failing to make full restitution for debt owed.

ECUHP patient receivables are maintained on an electronic health record accounts receivable system (EPIC) that is hosted by ECU Health. Patient receivable balances are generally paid by insurance companies, government payers and self-payments from patients.

ECUHP offers self-administered payment plans with one (1) year terms. Patient Accounts are re-evaluated annually.

ECUHP establishes an allowance for uncollectible accounts annually. The analysis considers annualized write-off percentages, aging of accounts and some specific identification of accounts as needed.

At the time of turnover to an outside collection agency, delinquent accounts are written off in EPIC and classified as a pre-bad debt. Eighteen months after turnover to the collection agency, which also allows time for SODCA remedies to have been exercised, pre-bad debts that have not been recovered (i.e., paid) are re-classified as bad debt.

- c) **ECU School of Dental Medicine (SoDM) Patient Receivables:** The School of Dental Medicine operates clinical practices on the Health Sciences Campus and at the Community Service-Learning Centers in various North Carolina locations. The SoDM is responsible for billing and collecting patient charges. Banking relationships are established with Wells Fargo branches or with concentration banks designated by the State Treasurer as learning centers are opened for operations.



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ECU SoDM derives charges for the provision of dental services. The accounts receivable is primarily comprised of balances due from insurance companies and government payers, such as Medicaid and/or Medicare and self-pay patients. SoDM has contractual agreements with several private insurance companies, including BCBSNC, Cigna, Guardian, Delta Dental and United Concordia

Payments are accepted at the time of service via cash, check, money order, point of sale credit card terminals, and PIN based debit cards. Amounts due from patients, including residual balances after third party payment, are billed monthly. Mailed in payments from self-pay patients and insurance companies are received at a designated lockbox in Charlotte, NC. ACH/EFT payments are received directly into an ECU SoDM bank account, which is certified daily by Health Sciences' Depositary Services. Payments received at the SoDM are forwarded to Health Sciences' Depositary Services and that office is responsible for accumulating receipts and for preparing a consolidated deposit.

Daily deposits are required for School of Dental Medicine operations, except for the CSLC in the rural communities. Due to the remote/rural locales, they have an approved exemption from Office of State Treasurer for daily deposits. Deposits in these locations should be made at least once a week, or once the collected funds have reached \$5,000, whichever comes first. Offsite clinic deposits are transported via armored car service to local Wells Fargo branch banks. Receipt and deposit information is forwarded to Health Sciences' Depositary Services for certification.

ECU SoDM works diligently with patients to ensure balances are paid timely. Patient accounts are considered past due when they are 90 days in arrears and are subject to formal collection procedures including but not limited to: (a) Submission to collection agencies and (b) Submission to the North Carolina Department of Revenue for set off (SODCA).

ECU SoDM patient receivables are maintained on the dental management software system called Axium. These electronic health records are hosted on servers with the SoDM and do not interface with ECU systems.

- d) Main Campus Research Administration Receivables Management:** The Office of Research Administration requests Letter of Credit (LOC) funding for sponsor payments and federal awards. Funding requests are made on a cost-reimbursement basis, thus eliminating the possibility of excess cash. All funding requests are approved by the Office of Research Administration's Director. Individual cash draw files are maintained for each LOC. Files contain all relevant documentation to substantiate the funding request, receipt of funds, and entry in the University's receipts system.

The Office of Research Administration requests Title IV Federal Financial Aid funds via the federal funding G5 system. At the beginning of each academic term, Student Financial Services coordinates with the Office of Research Administration to estimate the dollar value

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of funds needed to support aid disbursements. Funding requests are sent to the Office of Research Administration (ORA) and that office in turn enters the funding request in G5. The Cash Management office within Financial Services reviews Title IV funds for excess cash and sends requests funding returns to ORA for entering into G5.

Throughout the academic terms, the Cash Management Office within Financial Services initiates the wires of loan funds and reviews the status of Title IV funds and requests and/or returns funds as needed.

**e) Health Sciences Campus Grants Receivables Management:** The Health Sciences Campus manages grants receivables by purpose in three areas as follows:

- 1) **Brody School of Medicine:** The Brody School of Medicine (BSOM) manages grants specific to the Brody School of Medicine except Federal Grant receipts are managed by the Main Campus Office of Research Administration. In general, state grants are invoiced and paid on a reimbursement basis. All state grants are billed using the invoice template provided by the State of North Carolina.

Daily deposits are required for all of Brody School of Medicine operations, except for a Federal Agricultural grant where nurses provide safety equipment and fitting services to farmers and farm workers in the field throughout North Carolina. Due to the remote/rural locales, they have an approved exemption from Office of State Treasurer for daily deposits. Deposits from these locations should be made at least once a week or sooner when nurses return to Greenville.

BSOM Departments and/or study coordinators bill for Clinical Trials (CT) if required. Some CT's do not require invoicing; rather, most CT payments are based on Case Report Forms (CRF). The payor automatically sends payment as CRF's are processed. The BSOM Research Administration Hub request copies of all invoices processed by departments/study coordinators so that payments received in the lockbox can be matched to invoices. All CT billings are tied to the CT agreements.

Payments on BSOM Clinical Trials come in as wire/ACH payments, checks received by Health Sciences Depository Services, or a Wells Fargo lockbox. Electronic payments are directed to the Cash Management office within Financial Services. That office works with the Office of Research Administration, who notifies BSOM Research Administration Hub to determine the appropriate FOAP for posting. ORA oversees the posting in Banner. Health Sciences Depository Services (HSDS) reviews lockbox activity daily, certifies the funds in the State's North Carolina Financial System (NCFS) and notifies the BSOM Research Administration Hub when payments are received. Additionally, a Grant Deposit Daily Summary Sheet is prepared and provided to the BSOM Research Administration Hub. BSOM Research Administration Hub reviews the lockbox receipts, determines the appropriate data (account number, sponsor name, check number, amount, and Principal Investigator and/or department) necessary to



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post the receipt and enters the amounts received via a receipt adjustment (journal entry) in Banner. Amounts received are reconciled to amounts posted. A copy of the receipt adjustment and supporting documentation is uploaded into Xtender. The original documentation remains on file in the BSOM Research Administration Hub.

- 2) College of Nursing: The College of Nursing (CON) oversees grants specific to the College. In general, CON grants are administered by the Main Campus Office of Research Administration (reference item d). Cash Management procedures for CON are the same as for the Main Campus Office of Research Administration as any funds collected on CON grants are directed to Main Campus Office of Research Administration.
- 3) College of Allied Health Sciences: The College of Allied Health Sciences (CAHS) oversees grants specific to the College. In general, grants are administered by the Main Campus Office of Research Administration (reference item d). Cash Management procedures for CAHS are the same as for the Main Campus Office of Research Administration as any funds collected on SAHS grants are directed to Main Campus Office of Research Administration.

f) **Health Sciences Campus Contracts Receivables Management:** The Health Sciences Campus manages contracts receivable in the following area:

Brody School of Medicine (BSOM) ECU Health Physicians (ECUHP) Contracts Receivable Management:

All BSOM contracts are routed through the BSOM Contract Management office. Approved contracts are invoiced for services provided based on documentation from BSOM departments.

The documentation is required within 30 days of the services being provided. The BSOM Contract Office creates the invoices and submits to the contracting agency within 5 business days.

All contract payments are received in a lockbox in Charlotte, NC. These payments are processed through the BSOM Depository Services area, and the information is relayed to the Contract Management office for posting to the appropriate contract receivable and to Banner Finance.

Any receivable over 60 days past due is reviewed and the appropriate BSOM department is contacted for follow up with the outside agency. Invoices over 90 days past due are reviewed to determine if the account is uncollectible and should be written off from the Contract Management system.

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If an account is determined to be uncollectible, the BSOM department completes the Write-Off Request form and obtains departmental signatures. The form is returned to the Contract Management office and is then sent to the Executive Director of ECU Health Physicians for signature. The fully signed Write-Off request form is returned to the Contract Management office and the invoice is removed from the Solomon Contract System.

**g) Federal Funds Receivables Management:**

Federal funds received for major federal assistance programs that are governed by the Cash Management Improvement Act of 1990 must be drawn in accordance with the current State/Federal Agreement.

All federal fund draws should be timed so that the funds are on deposit with the State Treasurer and are available for disbursement in accordance with Federal Financial Aid Guidelines.

**h) Other Receivables Management:** Departments involved in the receivable process must develop internal procedures per the Office of State Controller's Statewide Accounts Receivable Program and [Guidelines to Departments for Cash Receipting and Receivables](#). A template is available to assist departments in developing policies and procedures – reference [Cash Receipting Procedures Template](#).

All receivables of any dollar amount due to a State agency, department or institution shall be turned over to the Attorney General for collection no more than 90 days after the due date of the billing. The University may manage these unpaid bills pursuant to its debt collection procedures as referenced above.

The University accepts electronic payments (credit/debit cards [merchant cards] and electronic fund transfer (EFT), in accordance with G.S. 147-86.22, to the maximum extent possible and consistent with sound business practices. The University obtained approval to participate in the Office of State Controller's Master Service Agreements for Electronic Payments for MasterCard/VISA and American Express. The University also obtained approval to participate in the Office of State Controller's Master Service Agreement for Electronic Funds Transfer Services. The University established policies and procedures necessary to facilitate the use of electronic payments. These policies and procedures incorporate the statewide electronic payment policies and procedures and are included as a part of the University's Cash Management Plan. In addition to the [Merchant Card Processing Procedure Statement](#) and the [ACH Payment and Collection Processing](#), the University also employs the following techniques for cash handling:

The University uses lockboxes for tuition payments, for Health Sciences patient receivables and for certain Health Sciences grant and contract payments.

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During fall and spring term start-up's, the Cashier's Office employs temporary personnel to assist with opening mail, scanning, basic cashiering, email, and customer service.

Cashier bills weekly and provides billing statements online to both students and their authorized users.

The University deposits receipts daily to receive current day credit in accordance with schedules available from the State Treasurer.

5. **Cash Management over Disbursements:** The objective of managing disbursements is to maintain funds in interest-bearing accounts for the longest, appropriate time period. This allows the State to recognize the maximum earning potential on its funds. This is not intended to encourage late payment or have a negative impact on relationships with firms who, in good faith, supply goods and services to the State. To accomplish this objective, the University abides by the following:

**Rule:** Monies deposited with the State Treasurer remain on deposit with the State Treasurer until the University makes final disbursement to the ultimate payee.

- a) **Purchasing:** The University utilizes a web-based e-procurement system that interfaces with our financial ERP system. ECU's procurement system is referred to as PORT – Purchase Order and Requisition Tracking. Requestors and approvers access PORT for creating, tracking and/or approving requisitions through a web browser. PORT's workflow routes requisitions to the appropriate approver and then to Materials Management for processing. After ORG security is verified and the requisition process is completed, a purchase order is sent electronically to the supplier. As materials are received, requestors enter receiving reports in PORT that are fed to the ERP system, signifying to Accounts Payable that goods have been received. As suppliers submit e-invoices through the PORT system, PORT feeds e-invoices to the Accounts Payable office. Receiving reports are matched to invoices until the purchase order is fully receipted in the ERP system. Only then is payment made.
- b) **Contracted Personal Services:** Contracted Personal Services are services provided by independent contractors. The department may process the request by using the process in (a) or by completing a *Contractual Services Payment Form* (CSPR). This form is for services less than \$5,000 during the calendar year or when the payment cannot be made in PORT. The form requires contractor payee information, descriptions of services rendered, justification for requiring the service, the cost or fee and the general ledger expense account. The initiating employee, Dean, Vice Chancellor, Office of Research Administration (if applicable), funding source and Materials Management must approve the personal service by signing the form.

- c) **Direct Payment Forms:** The University's preferred method of paying for expenditures not subject to formal purchasing guidelines is the ProCard. However, the University does use the Direct Pay Form for payments that cannot be made via ProCard, PORT or Chrome River. Non-Travel Expense Reimbursement are processed in Chrome River. Reference is made to *ECU's Approved Methods of Payment*.
- d) **Employee Travel:** Travel advances and/or travel expenses are reimbursed only upon receipt of approved travel advance requests and/or upon receipt of completed and approved travel documents. Travel expense disbursements are direct deposited to the employee's bank account of record used for payroll direct deposit. The travel disbursements will be made via paper check if the employee does not receive payroll payments via direct deposit. Travel advances are processed for payment 14 business days prior to departure date and are not paid to traveler until 5 days before departure date. All employee travel advances and reimbursements are processed in Chrome River.
- e) **ProCard:** The University issues Bank of America purchasing cards to approved permanent employees for approved purchases after the employee completes the required ProCard training. The University utilizes the Chrome River Reimbursement system for on-line reviews and approval of transactions. The ProCard cannot be used for unauthorized items and Financial Services staff employs several purchasing control techniques. Each ProCard cardholder and/or delegate is responsible for reviewing and approving purchases within the Chrome River system.
- f) **Capital Improvement Project Payments:** Facilities Services is responsible for managing Capital Improvement projects, for ensuring project work is completed apace with pay requests, and for approving pay applications prior to those documents being forwarded to Accounts Payable. Accounting Services submits budget revisions and allotment requests to the Office of State Budget and Management as needed for capital improvement projects and Cash Management enters transfer requests and requisitions for funds to the Office of State Controller. Reimbursement requests for General Obligation (GO) bond proceeds and certificates of participation proceeds (COPs) are processed twice a month in accordance with the funding schedule issued by the Office of State Budget and Management. Accounting Services submits a funding requisition and allotment requests to the Office of State Budget and Management. Cash Management enters requisition for funds from the Office of State Controller. The Office of State Controller sends Accounting Services email confirmation of the pending direct deposit into the Disbursement Account with Bank of America. Accounts Payable sends the ACH payment file to Bank of America.
- g) **Patient Refunds for ECUHP:** Patient Refunds requests are fed into Banner from Epic/BSOM nightly. All invoices from this feed are assigned unique invoice numbers. The feed document, invoice report and check run totals are reconciled. All patient documentation is maintained on file in ECUHP/Brody School of Medicine.

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**h) Patient Refunds for the School of Dental Medicine:** Patient refund requests are processed electronically via a file export from Axium to Banner. All invoices from this feed are assigned unique invoice numbers. The feed document, invoice report and check run totals are reconciled. All patient documentation is maintained on file in the School of Dental Medicine.

**i) NCFS Transfers:** We pay the following agencies via NCFS transfer: UNC System schools, UNC System Office, Office of State Controller, Office of the State Auditor and Office of State Budget and Management. The one exception to UNC System Schools is UNC Chapel Hill medical campus. Payment requests must be approved by the funding department. Cash Management reviews the request for payments and authorizes the transfer of funds. Payments are recorded in Banner Finance via a disbursement adjustment. Other transactions with state agencies are processed via check due to our automated electronic disbursement process via the e-procurement system, PORT.

**5.1. Bank Reconciliation Procedures:** All Bank Statements are reconciled monthly. Brody School of Medicine bank statements and School of Dental Medicine bank statements are reconciled by ECU Health Sciences accounting staff. Foundations reconcile any external accounts they hold; all other accounts are reconciled by Accounting Services staff.

Individuals responsible for bank account reconciliations are not responsible for handling cash. Additionally, these individuals only have inquiry access to Banner and NCFS thus negating their ability to record receipts or process disbursements.

All Bank Reconciliations are performed in accordance with UNC Business Process Standards and sanctioned templates are utilized. Bank reconciliation completion dates and reconciling item adjustments are reported to UNC System Office via UNC Business Process Standards monthly reporting.

All reconciliations are reviewed and approved by Management. All journal entries for adjustments are prepared by the responsible party. The entries are then forwarded to Financial Services for review and posting into Banner Finance.

All State Treasurer accounts are reconciled within 15 business days once the statements become available.

All outstanding items are reconciled prior to the end of the succeeding month. Large checks over 6 months old are reviewed monthly.

**5.2.** As provided in G.S 147-86.10, the order in which appropriations and other available resources are expended shall be subject to the provisions of the Executive Budget Act, regardless of whether the University's disbursement or expensing of the monies is subject to the Act.

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- 5.3. Federal and other reimbursements of expenditures paid from State funds shall be paid immediately to the source of the State funds.
- 5.4. Billings to the State for goods received or services rendered shall be paid neither early nor late but on the discount date or the due date to the extent practicable.
6. The University establishes disbursement cycles to the extent practicable so that the overall efficiency of the warrant disbursement system is maximized while maintaining prompt payment of bills due. To avoid disbursing account overdrafts, warrants should not be released before adequate funds have been requisitioned by the University and approved by the OSC for deposit to the applicable disbursing account. Unless indicated elsewhere, the University disburses as follows:
- Cash projections are sent to Office of State Controller weekly or as otherwise directed by the Office of State Controller.
- Invoices are entered in Banner daily. Data entry is reviewed, and corrections are made as needed.
- Blank check stock is stored securely. Checks are generated based on due date by disbursing bank. Printed checks are stored securely overnight, and a Positive Pay File is transmitted for upload to the Core Banking System. No check is mailed or released until the Positive Pay file is matched and approved.
- In general, checks are mailed from Financial Services-Accounts Payable.
7. Electronic Funds Transfer (EFT) should be used for certain payments between State and local units, vendors, and employees when it is determined to be mutually beneficial to both parties. The University complies with this directive and utilizes electronic payments as follows:
- a) **Payroll:** Payroll liabilities are payable on various frequencies, depending on the withholding type. Regardless of the withholding type or frequency, Cash Management forwards reports and corresponding wire payment requests to Accounts Payable. Accounts Payable re-verifies amounts to be paid and then initiates the wire transfer.
  - b) **Sales and Use Tax:** Each month, Sales and Use Tax documentation is submitted to Accounts Payable with wire payment requests for processing. Accounts Payable verifies the payment request and then initiates the wire transfer.
  - c) **Foreign Wires:** On occasion, the University is required to initiate an International outgoing wire transfer. Accounts Payable completes a "International Outgoing Wire Form" and forwards it to the Associate Vice Chancellor for Financial Services or University Controller for approval. Once the form is approved, all supporting documentation is sent to the State Treasurer's Office. In conjunction with Office of



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State Controller, the vendor's status is reviewed, and backup withholding amounts are determined if applicable. Wells Fargo notifies Accounts Payable of the foreign currency conversion amount for wire transfers. Only then does Accounts Payable initiate the wire transfer.

- d) **Domestic Wires:** The University routinely receives requests to issue payment via domestic wire. Once Accounts Payable receives a completed and approved Direct Payment Request Form, AP completes a Domestic Outgoing Wire Form which is forwarded to the Associate Vice Chancellor for Financial Services or University Controller who approves the wire payment. The forms and supporting documentation are faxed to the NC Office of State Treasurer for processing.

**7.1. Electronic Warrants:** The University utilizes "templates" in Core Banking for reoccurring payments. The templates are used to facilitate payments for debt principal and interest payments and recurring vendor payments.

- a. **Bond Principal and Interest:** Bond principal and interest payments are wired using the template upon receipt of approved remittance documents from Financial Services.
- b. **Student Refunds:** ECU utilizes the TouchNet eRefunds Module through TouchNet Bill+Payment to identify university financial refunds for students, to include financial aid refunds for ACH or paper check processing. Students are required to set up an ACH profile in TouchNet to receive a refund electronically. Bank account numbers are masked to users based upon the level of security assigned. ECU generates a daily refund file in Banner and all refunds are identified at that time with a RRFD detail code. Daily reports are generated and verified by Student Accounting, the Cashier's Office and Accounts Payable before funds are wired to Bank of America to support the daily ACH file. Daily, the Student Accounting Office uploads the ACH file from TouchNet to ECU's bank account (currently Bank of America) for disbursement to students. The paper check file is received by ECU's Accounts Payable Department to begin the check write process for those students that do not have an eRefund (ACH) profile in TouchNet. Paper checks are mailed to the student's on-campus address or permanent address on file in Banner.
8. State administered procurement cards should be used to provide employees with food, lodging and other applicable subsistence in emergency situations. The University has designated specific Pro Cards for emergency use and in the case of an emergency - these cards would be updated with the designated emergency profile. These cards will have expanded purchasing limits and restrictions on purchase types are relaxed. Depending on the severity of the emergency, the ProCard Office has authority to update other card profiles as needed.

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Please reference the Office of State Controller's policy statement on *Cash Management in Emergency Situations* as linked in ***Additional References***.

9. "Delegation of Disbursing Authority" agreements must be kept current. The State Controller requires a Delegation of Disbursing Authority when a disbursing account(s) is authorized for a State Agency or institution. When one of the parties to the agreement changes a new agreement must be signed and forwarded to the State Controller for approval and signature. *ECU's Delegation of Disbursing Authority* was last updated in 2021.

#### **10. Revision History:**

February 15, 2007 – reviewed in its entirety and updated

November 1, 2013 – reviewed in its entirety and updated

March 27, 2018 – reviewed in its entirety and updated

April 5, 2019 – reviewed in its entirety and updated

March 30, 2020 – reviewed in its entirety and updated

- Added Exemption to Daily Deposit Act for COVID19 emergency response (page 3)
- Deleted reference to funds collected by Compliance Management (this collection point has been eliminated)
- Added ACH and CMCS transfers as payment types for Grants (page 4)
- Updated statement about requesting federal financial aid funds; statement now reads in accordance with Federal Financial Aid Guidance as opposed to two days (page 9)
- Updated Direct Pay Forms section to indicate it can be used to facilitate payment on a limited basis
- Updated patient refund process for School of Dental Medicine to reflect electronic processing (page 11)
- Added language to the cash projections statement to indicate OSC can ask for projections as needed (page 13)
- Removed statement about detail codes from student refunds
- Updated ProCard section to indicate the ProCard office administers the program and updates limits accordingly (page 11)

March 19, 2021

- Updated "Authority Sections" (page 1)
- Updated Returned Check Fee to \$35 per state statute (page 3)
- Updated the ProCard Reconciliation process (page 11)
- Added reference to ECU's new travel system – Chrome River (page 11)

March 14, 2022

- Reviewed the entire document
- Removed the daily deposit exemption related to COVID
- Update minor vocabulary
- Replaced CMCS Cash Management Control System updated to the new North Carolina Financial System (NCFS)

March 17, 2023

- Reviewed the entire document
- Updated links
- Made minor naming changes related to Health Sciences Campus
- Health Sciences Campus Contracts Receivables Management: no longer occurs in the Vice Chancellor's Office. This section is deleted. This only occurs in BSOM Contract Management office.

March 18, 2024

- Reviewed the entire document
- Updated links
- Made minor naming changes
- Added Exception from the daily deposit requirement for Brody's Federal Agricultural grant where nurses provide safety equipment and fitting services to farmers and farm workers in the field throughout North Carolina.

March 24, 2025

- Reviewed the entire document
- Updated links
- Made minor wording changes
- ECU has contracted with ECU Health, through a joint operating agreement to collect patient payments on behalf of ECU, and the funds are transferred from ECU Health to an ECU JP Morgan bank account.