

SOUTHEASTERN UNIVERSITY

GENERAL ADMINISTRATIVE POLICY

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TITLE: Cash Handling Policy

POLICY NUMBER:

EFFECTIVE DATE: January 28, 2004

REVISION DATE: December 3, 2010

ACCREDITATION STANDARDS:

POLICY:

Persons who handle cash shall be aware of, and show strong commitment to, controls over cash funds. They shall adhere to the instructions below to ensure proper and consistent procedures are followed.

PURPOSE:

Strong internal controls for cash collection are necessary to prevent mishandling of University funds and are designed to safeguard and protect employees from inappropriate charges of mishandling funds by defining their responsibilities in the cash handling process. The University Cash Handling policy requires that areas receiving cash be approved by the Controller's Office and be designated as cash collection points.

SCOPE:

Although departments and other entities with casual cash collections are not recognized as cash collection points, they must follow the same cash handling policies and procedures that apply to the cash collection points.

The use of unauthorized bank accounts by University personnel for depositing or disbursing University cash is prohibited unless approved by the Controller's Office. The Controller's Office will conduct periodic reviews of cash handling procedures. Departments not complying with approved procedures may lose the privilege to serve as a cash collection point.

Advance notice to the Business Office is required for all events that involved collecting money.

DEFINITIONS:

"Cash" is defined as coin, currency, checks, credit card transactions, and electronic funds transfers.

A cash collection point is defined as a department or other entity that handles University cash on a regular basis (e.g. the Cashier's office, Dramatic Arts, Athletics, etc.).

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FORMS AND APPLICABLE DOCUMENTS:

- Bank deposit form
- Tally sheet
- Cash receipts log
- Cash handling instructions for after-hours collection
- Night deposit box key
- Endorsement stamp
- Adding machine with tape

PROCEDURES:

It is important to plan ahead to ensure effective controls are in place. The Controller's Office must authorize all cash collection points before collection begins. Departments requesting status as a cash collection point must submit a request to the Controller's Office that includes:

- Reason(s) why cash collection point is needed.
- A list of those positions involved with the cash collection point, a description of their duties and how segregation of duties will be maintained.
- Whether there is a need for an advance of currency to make change.
- A description of the reconciliation process, including frequency of reconciliation.
- A description of the process for safeguarding cash until it is deposited.
- A schedule of when cash deposits will be made.

The request will be reviewed, and if appropriate, approved by the Controller's Office.

If approved, the employee in charge of the event and those who will assist with counting and tabulating the money must make an appointment to meet collectively with the Cashier to receive instructions.

All cash received must be recorded through the Business Office Cashier when the transaction is during normal business hours. See "After Hours Deposit" for any cash received after normal business hours.

The cash collection point must maintain a clear separation of duties. An individual should not have responsibility for more than one of the cash handling components: collecting, depositing, and reconciling.

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The funds received by the Business Office Cashier must be reconciled to the pre-numbered receipts each day. Cash must be reconciled separately from checks/credit cards by comparing actual cash received to the amount in the cash drawer or to the sum of the cash sales from the manual receipts.

All checks, cash and credit card receipts must be protected by using a cash register, safe or other secure place during the day until they are deposited with the Cashier that same day. Money must never be left unattended and must be attended by at least two, unrelated people.

Checks must be made payable to Southeastern University and must be endorsed promptly with a restrictive endorsement stamp payable to Southeastern University. The endorsement stamps are available for loan through the Cashier's Office.

Checks or credit card transactions must not be accepted for more than the amount of purchase.

All collections must be given to the Cashier the same day they are received. No post-dated checks shall be accepted. No cash, checks, or credit transactions should be held by any employee overnight (see "After Hours Deposits").

All funds must be deposited intact and not intermingled or substituted with other funds.

Refunds or expenditures must be paid through the appropriate budget with a University-generated check, purchasing card, or petty cash, and must not be taken from the cash collections.

The Cashier's office will issue a receipt of deposit to be used for reconciliation of the supporting documentation to the deposit and to the monthly bank statements.

CASH RECEIVED IN PERSON

All checks must be endorsed immediately with a restrictive endorsement stamp payable to Southeastern University.

Cash funds must be stored in a cash-box within a safe or locked cabinet, to which access is restricted to preferably the cashier or person in a department acting as a cashier.

Only one cashier is allowed access to a cash drawer during a single shift/event.

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CASH RECEIVED THROUGH THE MAIL

All checks must be endorsed with a restrictive endorsement stamp and recorded on a deposit slip in the appropriate section. All receipts of coin or currency must be listed in a log.

A list of the checks, credit card transactions and/or cash should be prepared in duplicate. The list should include the payor's name, amount received, date and check number. One copy should be kept by the collection point and the original should accompany the deposit to the Cashier's Office.

Cash must be stored in a cash-box within a safe or locked cabinet, to which access is restricted to preferably the cashier or person in a department acting as a cashier.

BALANCING CASH RECEIPTS

All funds collected must be balanced daily (by mode of payment), by comparing the total of the cash, checks and credit cards to the log totals.

AFTER HOURS DEPOSITS

All cash collected after hours must be deposited at the Edgewood Drive branch of Wells Fargo/Wachovia bank by using the night deposit box and the deposit box key. No cash, checks, or credit transactions should be held by any employee overnight. See also the instructions for "Preparation of Deposits" below.

PREPARATION OF DEPOSITS

After Hours Deposits:

It is important to plan ahead to ensure effective controls are in place. Checks must be made payable to Southeastern University. A calculator tape of the checks must be included with the checks bundled together.

All checks must be endorsed with a restrictive endorsement stamp.

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Cash must be recorded on the deposit slip in the appropriate space.

The appropriate account number(s), event description and date of event must be included on the deposit slip.

Two people must count, verify and initial all deposits. A copy of the deposit slip must be scanned and e-mailed to Development and the Cashier for reconciliation.

At least two people must take the deposit to the Edgewood branch of the Wachovia/Wells Fargo bank. The night deposit key must be picked up from the Business Office Cashier before 4:00 p.m. the day of the deposit.

When a night deposit has been made, the Cashier will verify the deposit is reflected in the Wachovia bank account. Development will record the deposit total and provide to the Cashier for reconciliation.

Deposit bags and deposit slips are available at the Cashier's Office.

Normal Business Hours Deposits:

Two people must accompany the deposit to the Cashier's Office.

Someone not involved with collecting the cash, opening the mail or reconciling the deposit should prepare the deposit. If this is not possible, then the two people counting the money must initial the bank deposit slip indicating they agree with the total.

The deposit must be delivered to the Cashier's office the same day it is collected.

EXCEPTIONS

The Controller's Office must approve exceptions to these procedures. Requests for exceptions to these procedures must be submitted to the Controller's Office in writing.

RECORD RETENTION

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All cash receipts and related documents (cash register tapes, deposit slips, credit card receipts, copies of manual cash receipts, etc.) must be maintained in accordance with Record Retention schedules.

APPROVAL:

DISTRIBUTION:

AUTHOR: