

<b>University Enterprises, Inc. Policies and Procedures</b>	<b>Policy No. 2050</b>
<b>Section:</b> Business Services <b>Policy:</b> Cash Handling Policy <b>Effective or Revised:</b> December 11, 2015	

## **University Enterprises, Inc. Cash Handling Policy**

### **I. PURPOSE**

To provide management with policy and regulations governing the proper handling of cash and the physical protection of cash and cash equivalents.

### **II. SCOPE**

This policy applies to all UEI personnel.

### **III. POLICY**

#### **I. Background and Purpose**

It is imperative that the physical security of cash and cash equivalents be ensured at all times. Cash equivalents are defined as checks, money orders or any negotiable instruments. Stringent procedures must be in place to ensure its physical protection. An adequate separation of duties in the area of cash handling must be established and maintained, so that no one individual has exclusive control over any one step in the process.

#### **II. Policy and Regulations**

##### **A. Policy Provisions**

##### **Access to Cash and Segregation of Duties**

1. The Cashier's main office suite and interior vault, alarm codes, and all safe combinations should be accessible only by the Cashier's Office Supervisor and Cashier's Office Assistant as well as the CFO, as a backup procedure. Under no circumstances shall an employee who is issued a safe combination release the combination to any other party.
2. The person collecting cash and preparing the bank deposit must be someone other than the person performing the monthly review of the general ledger, the person maintaining accounts receivable records, or the person following up on collectibles.
3. All cash and cash equivalent transfers must be documented by the department and the documentation of accountability should be maintained by category (i.e. currency, checks and other forms of payment).
4. Deposit counts should be verified by a second person when staffing allows.
5. Collections for returned checks, credit card charge-backs and ACH returns must be processed by someone other than cashiering staff. The person approving write-offs must be different from the person maintaining the returned item inventory.
6. An endorsement stamp or its mechanical equivalent will be used by Business Services (BSD), Dining Services and certain projects/programs with heavy and frequent cash handling to restrictively endorse for deposit all cash equivalent instruments as soon as possible but not later than the close of business on the day of receipt. All deposits should

be submitted to BSD as soon as is possible but no later than one business day after receiving cash or cash equivalents. Where electronic deposit is available and completed by the close of business on the date of receipt, restrictive endorsement is preferred, but not required. Any negotiable instruments deposited via remote deposit have to be destroyed and verified by an immediate supervisor within 45 days.

7. All staff in possession of cash, checks or other cash equivalents must lock the funds in a drawer or other secure receptacle whenever leaving their immediate area. Only authorized personnel can have access to the locked drawer or secure area.
8. All cash or cash equivalents must be submitted to BSD in person and not via campus mail for deposit along with the cash transmittal (CT) or credit card transmittal with signature from the preparer and their immediate supervisor or another member of department staff. Transport of deposit must be accompanied by two persons for security reason. The CT must be turned in in triplicate by projects/programs and in duplicate by Dining Services. Upon receipt of the CT by BSD staff, all copies will be date-stamped and signed. One copy of the CT will be returned to the project/program for their records and two copies along with cash and cash equivalents will be forwarded to another BSD staff member for deposit and signature.
9. Background checks are required for full-time staff, part-time staff, project part-time students and Dining Services student leads who handle cash or cash equivalents.
10. The department head or project director is required to sign an agreement acknowledging the understanding of the policy requiring submittal of deposit and CT forms within 24 business hours following receipt. It is the responsibility of the department/project to pay for any background check fees. It is also the responsibility of the department/project to reconcile their deposits to their accounts.
11. Under certain circumstances, when deemed necessary, armored car service is required to safeguard the transport of cash and cash equivalents over \$2,500.

### **Procedures**

1. Documentation of cash differences (overages and shortages) must be prepared for each location handling cash by the Cashier's Office Supervisor. A monthly aggregate report should be prepared and reviewed by the CFO. Discrepancies should be investigated and appropriate disciplinary measures enacted for continual over-short infractions and cash handling policy violations.
2. Any area which processes cash must be protected by adequate security, to include panic buttons, where feasible. To the extent possible, the locations must be manned only by UEI personnel.
3. Funds or property not related to UEI operations may not be stored in the safe/vault.
4. An unannounced cash count of the Cashier's Office will be conducted once per calendar year by BSD personnel. Cashier's personnel should not be notified in advance of the date or time of the count.
5. Following each register operator shift, all sales receipts should be wrapped and bagged by the operator in a secure area, away from customer and public view.

### **Cash Bag Procedures Pertaining to Retail Operations**

1. All persons handling cash should drop all current day bags in secured area at the end of the day.
2. Cashier's personnel will make daily deliveries of change fund bags and pickups to all University Enterprises Inc. self-operated locations handling cash. Cash collected on weekends will be picked up on Mondays.
3. UEI self-operation change fund bags are to be received by an authorized representative of each location. Each bag will be in a locked canvas bag with a designated person assigned to have access to the key that unlocks the canvas bag. Each bag will be labeled with the bag number and day of the week usage. All bags for special events on weekends will be delivered with Friday delivery. Any last minute bags necessary for that day's operations can be picked up from the Cashier's Office. The armored service will pick up the daily deposit once per day from the Cashier's Office.
4. Central Dining Service operators will always have two business days' (the current business day and the following business day) worth of funds securely locked in their vault.
5. All cash bags are to be placed in a secured and locked area until picked up the following business day. The person responsible for releasing cash to the Cashiers Office must sign a form stating that they provided the previous day's cash bags and received the following day's cash bags. The cash is to be picked up, verified and processed for deposit by the Cashier's Office Supervisor or Cashier's Office Assistant the following morning.
6. Procedures will be reviewed and updated yearly or as needed due to employee authorization changes.

#### **B. Implementation**

The Executive Director is charged with the responsibility of implementing this policy through management guidelines.

#### **IV. RELATED POLICIES**

N/A - None