

POLICY

Effective Date: July 18, 2005

Approved By: President's Council

Authority: OFM-SAAM 20.20.70

See Also: POL-U5320.03 Authorizing and Defining the Responsibilities of Financial Managers
POL-U5351.04 Issuing and Maintaining Pre-Numbered Receipts

POL-U5351.03 SUPERVISING CASH HANDLING ACTIVITIES

This policy applies to all Financial Managers of departments that handle cash.

Definitions: Cash Handling Activities, for the purpose of this policy, includes handling coin, currency, checks, travelers' checks, money orders, and debit and credit card receipts received in payment for goods, services or fees, and creating deposits.

Cash for the purpose of this policy includes coin, currency, checks, travelers' checks, money orders and debit and credit card receipts.

1. Financial Manager Will Assign Cash Handling Duties to Qualified Employees and Volunteers

The Financial Manager will ensure that individuals, including employees, students and volunteers are qualified prior to assigning cash handling responsibilities by obtaining the following documentation:

- Reference checks including any prior cash handling experience
- Criminal background checks

This documentation is not required for volunteers and/or employees whose cash handling duties are infrequent and incidental.

2. Financial Managers and Supervisors Will Review and Update Departmental Procedures Periodically

Financial Managers and supervisors will review and update departmental cash handling procedures in accordance with Division and University policy.

3. Financial Managers Will Monitor and Review the Department's Cash Handling Activities

Financial Managers will monitor and review the activities performed by the department's cash handlers to ensure compliance with procedures.

Financial Managers will review deposits to ensure that cash and checks are deposited in the same composition as they were received.

Financial Managers will document all reviews with date and initials.

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4. Financial Managers Will Segregate Cash Handling Duties or Establish Compensating Controls

Whenever possible, Financial Managers will ensure that employees handling cash are assigned duties such that one employee cannot perform all of the steps in a transaction from beginning to end (i.e. one person should not be able to accept cash and record deposits and update accounts receivable or reconcile the account). When segregation of duties is not possible due to staffing limitations, the Financial Manager will establish compensating or mitigating controls, including monitoring and regularly reviewing any multiple cash handling functions performed by one employee.

5. Financial Manager Will Implement Procedures to Monitor Cash Received in the Mail

Monitoring cash received in the mail includes:

1. Ensuring that two individuals are present to open the mail and a log or calculator control tape is maintained of all cash received in the mail.
 - If partial payments are received in the mail, the log must specify whether the payment is deposited or returned to the customer. The cash handler must notify the customer as to the additional amount owing (if depositing), or why the check is being returned.
 - A log or control tape is not required when the department has established adequate segregation of duties and the mail payment is input immediately into a cash register, automated cashing system, or credit card terminal (see POL-U5351.04 Issuing and Maintaining Pre-Numbered Receipts).
2. Periodically comparing the log or control tape of some or all transactions to cash receipts recorded in the WWU Accounting system.