

UNIVERSITY OF KING'S COLLEGE



Guide to Financial
Management



Banking & Cash
Management



Cash
Handling

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Finance

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Bursar

CASH HANDLING POLICY

Purpose

The University of King's College is dedicated to ensuring the proper handling of cash and equivalents it receives as part of its business activities. This policy addresses the custody, safe keeping and accounting for cash and equivalents received by the University.

Scope

This policy applies to all King's departments and includes all cash and equivalents received on behalf of the University.

Definition

Cash and equivalents includes currency, cheques, money orders, bank drafts, debit and credit card transactions, and electronic funds transfers (EFTs).

Policy

University departments are responsible to ensure that all cash and equivalents received are handled in a secure manner and deposited on a timely basis to an authorized University bank account in accordance with appropriate internal controls as set forth in the procedures below. All cash and equivalents received and deposited to a University bank account are the property of the University of King's College.

Procedures

Departments are responsible for maintaining the custody and safekeeping of cash and equivalents until deposited to an authorized University bank account through the Bursar's Office. Deposits should be made regularly in the interest of:

- Security – cash on the premises carries with it a risk of loss or theft.
- Financial – maximize the positive impact of interest on bank account balances or minimize the negative impact of interest on line of credit balances.
- Efficiency – to ensure timely processing and reconciliation of deposited cheques and contributions.
- Privacy – personal information associated with deposits of cash (i.e., credit card receipts) must be secured to protect privacy.

To support effective cash management practices, all cash and equivalents must be forwarded to the Bursar's Office as soon as possible following receipt. At a minimum, cash should be forwarded:

- Daily, if the amount for deposit exceeds \$500
- At least once a week if the amount exceeds \$100
(It is preferable that amounts in excess of \$100 not be held over a weekend.)

All cash and equivalents forwarded to the Bursar's Office for deposit must be accompanied by a completed [deposit sheet](#) (Appendix A). The Bursar's Office will ensure the cash and equivalents received agree with the deposit sheet total and will sign off on the deposit sheet. Any discrepancy will be reported to the depositor immediately.

The Bursar's Office will make deposits to authorized University bank accounts on behalf of the University on a weekly basis, or such time as the total amount for deposit exceeds \$25,000 (whichever is sooner). All funds for deposit will be kept in a secure location until the deposit is made. The Bursar's Office will complete a deposit slip for all funds to be deposited to each University bank account. Deposits will be made by Bursar's Office staff on a rotational basis to provide for appropriate segregation of duties. A receipt will be issued by the Bursar's Office to the departments once the funds have been deposited into the bank account.

The following guidelines and procedures must be implemented in all departments receiving cash and equivalents:

1. Cash and equivalents must be safeguarded at all times in a locked safe or other secure location. Cash must not be sent by mail. Debit and credit card transactions must be treated with the same level of security.
2. All original credit card and debit card receipts are to be included in the deposit to the Bursar's Office where they will be kept in a secure location until the documents are destroyed. All records must be kept for six years and the current year.
3. Cash and equivalents must be deposited in their entirety and appropriately recorded. Under no circumstances can they be disbursed directly (i.e., to fund purchases or to cash personal cheques).

4. University funds must be deposited into an authorized University bank account administered by the Bursar's Office. Please refer to the [Bank Accounts Policy](#) for information regarding the procedure for establishing a bank account for University purposes.
5. Remittances to the University in the form of cheques, money orders and bank drafts must be payable to the University of King's College.
6. Departments must ensure that deposits are correctly coded to the appropriate accounts as established by the Bursar's Office. If applicable, HST must be properly segregated and coded on the deposit sheet. The Bursar's Office can advise on appropriate HST treatment.
7. Segregation of duties and restricted access to cash and equivalents must be implemented where possible to ensure adequate custody and safekeeping. At a minimum, this includes the separation of cash handling from the control and reconciliation of the receipts, and also a separation of cash register operation from approval of cash deposit. Ideally, only one person should be responsible for the safekeeping of cash. In those limited situations where it is not practical to meet these minimum standards, please contact the Director of Finance in the Bursar's Office to establish alternative procedures.
8. Departments are responsible for reconciling deposits to financial reports on a timely basis to ensure that all cash and equivalents are deposited and posted to the correct accounts. Account code adjustments to ledgers must also be made on a timely basis.
9. The Director of Finance in the Bursar's Office must be contacted immediately if a clarification of procedures is required or any irregularities identified.

Appendix A

**University Of King's College
Deposit Sheet**

Date: _____

GL Account: _____

<u>Cheques</u>	
<i>Name</i>	<i>Amount</i>
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____
_____	= _____

<i>Amount</i>	<u>Cash</u>	<i>TOTAL</i>
_____	\$100.00 =	_____
_____	\$50.00 =	_____
_____	\$20.00 =	_____
_____	\$10.00 =	_____
_____	\$1.00 =	_____
_____	\$2.00 =	_____
_____	\$0.25 =	_____
_____	\$0.10 =	_____
_____	\$0.05 =	_____
_____	\$0.01 =	_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____

Total Cheques: _____

Total Cash: _____

Total Debit/Credit Slips: _____

TOTAL Deposit: _____

Amount Taxable (HST): _____

Amount Non-Taxable (no HST): _____

Received from: _____

Received By: _____