

**Complete Policy Title:** Cash Handling Policy  
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**Policy Owner:** Director, Finance Department  
**Approved By:** Director, Finance Department  
**Contact Department:** Finance Department

**OBJECTIVE:**

Due to the decentralized structure of the University, most campus departments are primarily responsible for collecting, recording, and depositing funds as a result of various revenue transactions. In this environment, it is essential that strong internal controls are in place to ensure that funds are handled appropriately, funds are physically safeguarded, and transactions are accurately recorded in the financial system. In addition, internal control is vital in ensuring employees are protected from inappropriate charges of mishandling funds by defining their responsibilities in the process.

The following policy outlines the requirements of campus departments when handling cash resulting from the sale of products and/or services:

**POLICY:**

**A: DOCUMENTATION AND RECEIPTS**

1. All departments must reconcile funds they are remitting as revenue for deposit with a receipt or system generated report to ensure transactions are complete and accurate.
2. Receipts should be provided to the customer at all times.
3. Where a cash register and/or terminal are being used, an 'End of Day' (EOD) receipt must be printed out and attached to the supporting documentation.
4. Where computerized receipts or system totals cannot be provided, a standard University of Windsor receipt must be utilized (see section J for forms and contacts). This receipt is pre-numbered, sequential, and should include appropriate signatures for each transaction. Control of receipt book and verification of numerical sequence should be performed on a periodic basis by a supervisor or designee.

5. To ensure the accuracy and accountability in cases where a float is utilized, the outgoing and incoming cashiers should verify the amount by signing a [verification form](#).
6. Whenever transactions are voided, the receipts should be retained and signed by a supervisor. These receipts should be kept on file along with the EOD receipts/reports.

## **B: PERSONAL CHEQUES**

1. When accepting payment by cheque/money order, the following information must be verified:
  - a) Signature
  - b) Cheque is payable to the University of Windsor
  - c) Cheque is not stale dated (i.e. older than 6 months previous)
  - d) Cheque is not post dated
  - e) The body and figures match
  - f) Student I.D. #, or driver's license # for non-student.
  - g) U.S. cheques are drawn on a US bank.
2. Departments should ensure all cheques are stamped "For deposit only" using a Scotia Bank provided stamp
3. Personal cheques should not be converted to cash by anyone under any circumstances.

## **C: CURRENCY**

1. Employees handling currency on a regular basis should be knowledgeable about basic counterfeit detection.
2. U.S. cash must be deposited to the University's U.S. bank account. It should not be available for purchase by employees.

## **D: TICKETS/ PRINT CARDS/ CAUTION CARDS**

1. All tickets/print cards/caution cards should be pre-numbered. In order to ensure accountability, the numbered sequence should be documented when sold. Any voids, unused inventory, or returns should be documented and submitted with paperwork.

## **E: SEGREGATION OF DUTIES**

1. Incompatible duties should be segregated to the extent possible to ensure safeguarding of assets. This should include, at a minimum, that the collection, deposit, and accounting procedures are separated. Smaller departments should at least segregate the cash handling and accounting procedures.
2. Individual employees should be solely accountable for their own funds to the extent possible.
3. Where segregation of incompatible duties is not operationally feasible, compensating controls should be implemented. These compensating controls should be approved by Finance prior to implementation.

#### **F: ACCOUNTING**

1. The departmental journal entry should be approved by the department head or supervisor of the area.
2. Departments should ensure that cash receipts are correctly coded to the proper account.
3. Journal entries should be recorded on a weekly basis at a minimum.
4. All journal entries should be entered by the month end date.

#### **G: BANK DEPOSITS**

A department depositor is a University unit that has been authorized by the Finance department to deposit directly to a University bank account. Departments that have been authorized would have an approved merchant code established.

Deposits are to be made on a weekly basis at a minimum. Amounts greater than \$500 (including cheques) should be deposited daily. Any exceptions to this guideline must be approved by the Controller prior to implementation.

##### Departments with an approved merchant code:

1. Departments submitting bank deposits should complete a [of deposit](#) form and submit to Financial Services by the 3rd business day following the last calendar day of the month. Departments should ensure the summary of deposits is accurate and agrees to the bank deposit prior to sending to Finance.

##### Departments without an approved merchant code:

2. Departments who have not been approved to perform their own deposit should use the Standard A/R Form ([cash](#), [cash](#), [cheque](#), [Cheque](#)). A separate form should be used for cash versus cheques. This form should be included with the deposit sent to A/R. For example, if cheques are being sent to A/R from departments for unplanned or nonrecurring transactions, the standard deposit form should be completed and included.
3. Departments that are not performing their own deposits should review with Credit Manager whether they need to develop procedures to do deposits in the future based on expected frequency. If this is the case, a merchant number will be assigned.
4. Currency and coin should never be sent through campus mail.

#### **H: PHYSICAL SECURITY**

1. All funds should be adequately safeguarded in a safe with access provided only to those responsible for the bank deposit.
2. The combinations or keys to the safe(s) used to house funds should be changed whenever there has been a change of a staff member that had access.

#### **I: RECORD KEEPING**

1. Journal entries and support should be maintained in department for a minimum of seven years for tax purposes. All paperwork should be made available on demand in an orderly fashion to the Finance department, Internal Audit, and the University's external auditing firm.

#### **J: FORMS AND CONTACTS**

If you need forms and/or information referenced in this policy, please inquire to the following:

<b>Need</b>	<b>Contact Person</b>	<b>Phone</b>	<b>E-mail</b>
Receipt books <b>(allow 2 weeks for delivery)</b>	<b>Lucia Brown</b> Document Imaging Centre	Ext. 2100, 3680	lbrown@uwindsor.ca
Deposit slips	<b>Elizabeth Felet</b> Credit Manager	Ext. 3309	mickey@uwindsor.ca
Deposit bags			
POS machines			
Training on remote journal entries and bank deposit process	<b>Elaine Clark</b> Chief Accountant	Ext. 2141	eclark@uwindsor.ca

## **K: Links**

Detailed procedures:

[Department Cash Handling Procedures  
Procedures](#)

Float verification (where cash floats are utilized)

[verification Form](#)

Bank Deposits (department depositors):

[of Deposit Form](#)

Standard A/R forms (departments not approved to perform their own deposits):

[of Canadian Cash Funds](#)

[of U.S. Cash Funds](#)

[of Canadian Cheque Funds \(includes money orders and bank drafts\)](#)

[of U.S. Cheque Funds \(includes money orders and bank drafts\)](#)