



Policy Title: Cash Handling Policy

Date Revised: August 14, 2020

Office with Administrative Responsibility: Financial Accounting and Reporting

Approver: Vice-President, Planning and Administration

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Purpose

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.

Application and Scope

The University of Windsor offers multiple payment mechanisms for students and customers, including cheques, EFT, wire, e-Commerce, UWincard, and Point of Sales (POS). The University recognizes the heightened risk and carrying costs associated with performing transactions using cash and cheque and is transitioning towards a cashless environment. Every effort should be made by departments to mitigate this risk, including not accepting cash and cheque as payment methods. All exceptions to this policy have been outlined in **Section K: Exceptions** below.

The following policy further outlines the requirements of campus departments when handling payment instruments resulting from the sale of products and/or services.

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 always be provided to the customer.
3. Where a cash register and/or POS 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. This receipt is prenumbered, sequential, and should include appropriate signatures for each transaction. An audit of the receipt book and

verification of numerical sequence should be performed on a periodic basis by a supervisor or designated signee.

5. 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 and reports.
6. If your department requires a POS machine, please contact Accounts Receivable.

B. PERSONAL CHEQUES

1. When accepting payment by cheque, 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 are placed on the memo line.
 - g) U.S. cheques are drawn on a US bank account.
2. Cheques should be deposited via cheque scanner directly to the University's current account at the banking provider. Following the successful upload of a cheque file to the University's banking provider, the PDF file of cheque images should be retained for a period of seven years for audit purposes. The physical cheques may be shredded after 30 days.
3. Should a department not have a cheque scanner due to the infrequency of cheques deposited, the cheques shall be forwarded to Accounts Receivable, through inter-office mail or deposited in one of the designated secured drop boxes on campus. Departments should ensure all cheques are stamped "For deposit only" using a bank provided stamp. Please contact Accounts Receivable for any stamp orders.
4. Personal cheques may not be converted to cash by anyone under any circumstances and should be deposited as soon as all criteria are met in Section B, step 1 above.

C. CURRENCY HANDLING

1. Employees handling currency should be knowledgeable about basic counterfeit detection.
2. To ensure the accuracy and accountability in cases where a float is utilized, the outgoing and incoming Cashier should verify the amount by signing a float verification form.
3. When counting a cash drawer, there should always be two individuals witnessing the count. One of these individuals must be a supervisor.
4. All USD cash must be delivered in person to the Finance Accounts Receivable office. Alternatively, USD cash can be deposited into the drop box outside of the Cashier's office, within a sealed envelope. Please ensure that your department is clearly labelled

on the deposit form. These forms are found on the [Finance Accounts Receivable Website](#) under the “**Deposit Funds**” section.

5. USD cash must be deposited to the University’s USD bank account. It is not to be made available for purchase by employees.

D. TICKETS/ PRINT CARDS/ CAUTION CARDS

All tickets/print cards/caution cards should be pre-numbered. 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. Each deposit should be reviewed by a supervisor, including the supervision of cash counts.
3. Individual employees should be solely accountable for their own funds to the extent possible.
4. Where segregation of incompatible duties is not operationally feasible, compensating controls should be implemented. These compensating controls should be approved by Financial Accounting and Reporting prior to implementation.

F. ACCOUNTING

1. The departmental journal entry should be approved by the department head or supervisor of the area. All journal entries or deposit summaries will be reviewed by the Finance Department before they are posted to the GL, and back-up should be attached where feasible. Any backup not attached shall be provided upon request.
2. Departments should ensure that revenues are correctly coded to the proper account.
3. Journal entries or deposit summaries should be recorded on a weekly basis at a minimum.
4. All journal entries or deposit summaries should be entered by the month end date.
5. Any monies not accounted for by a department, through journal entry or deposit summary, within 120 days of receipt by the bank, will be recorded by the Finance Department as revenue to a central operating account.

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 and a deposit book specifically for their department. Deposits are to be made on a weekly basis at a minimum. Deposits are to be picked up at the department depositor location by Brinks. 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 via Brinks or the drop box should complete a deposit summary or journal entry on a weekly basis or at minimum by the 3rd business day following the last calendar day of the month.
 - Deposit summaries should be sent to depositsummary@uwindsor.ca.
 - Departments submitting journal entries should be sent to postmyje@uwindsor.ca.

Departments should ensure the summary of deposits is accurate and agrees to the bank deposit slip prior to sending to the Finance Department.

Departments without an approved merchant code:

2. Departments who have not been approved to perform their own deposit should use the Standard Accounts Receivable Form found on the [Finance Accounts Receivable website](#) under the “**Deposit Funds**” section. For example, if cheques are being sent to Accounts Receivable 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 and have a significant volume on a monthly basis should review with the Senior Accountant 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. When travelling on campus with currency of any kind, staff members should be accompanied by at least one additional person.

H. PHYSICAL SECURITY

1. All funds (including floats) 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. A supervisor should have access to the combination or keys.

I. RECORD KEEPING

Journal entries and support should be maintained in department for a minimum of seven years. 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. CASH AND FLOATS

1. Cash is no longer an accepted form of payment at the University except for the circumstances outlined in the “Exceptions to Policy” section of this document.
2. Departments on campus performing retail operations may be approved for an emergency float on a case by case basis. These emergency floats are to follow all

Currency Handling guidelines outlined in Section C above. The Finance Department will perform a physical inspection of floats at least annually, and without warning. Control issues identified via the physical count process are required to be rectified by the departments. The Senior Accountant is available to assist in the development of internal controls.

3. The Senior Accountant will review the cash transaction volume of departments with floats on a regular basis and may recommend a reduction in the size of a float at any time.
4. Petty cash funds are no longer permitted for any department. If your department must make a small purchase of any kind, please use a University of Windsor Purchasing Card. Alternatively, the employee can make the purchase through the use of personal funds and submit on Non-travel Expense claim for reimbursement.
5. If a department finds a petty cash fund still remaining, these funds should be returned immediately to the Accounts Receivable office immediately.

K. EXCEPTIONS TO POLICY

Although the University of Windsor is transitioning towards a cashless environment, we understand that there may be circumstances in which cash transactions need to occur in order to conduct business effectively. These circumstances are outlined below. Departments will require preapproval for cash transactions, if the circumstance is not defined below. These approvals must be granted by the Controller at minimum 5 business days prior to the event occurring.

Exceptions to the cashless policy include:

1. Special events such as the President's dinner, fundraising events, annual retirement dinner and other similar events that may include off-campus guests to attend. Special permissions should be granted for these events and approved by the Controller.
2. University Players performances or Creative Arts Concerts
3. Lancer Athletics games and events
4. Emergencies in which POS systems are offline and/or the UWincard system is down.
5. UWincard office will accept cash to be input on users UWincard accounts.
6. Leddy Library for fines and fees collection

For any circumstances, as outlined above, in which acceptance of cash will be required, it is imperative that all steps be taken to ensure safe cash handling. This is further defined in the Section C: Currency above.

L. DEFINITIONS

The definitions below are specific to the development and maintenance of this Policy.

1. **Cashless:** Includes any coins and paper money currency. It does not include cheques or money orders.

2. **POS:** Refers to Point of Sale machines that accept electronic payments such as debit/credit card terminals
3. **Monetary instruments:** Means any form of payment for goods or services including electronic funds, currency, cheques, debit or credit cards.

Monitoring and Compliance

The Finance Department along with Internal Audit have the right to inspect the adherence to this policy for any department accepting any form of monetary instrument without notice.

Appendices:

Deposit form - <https://www.uwindsor.ca/finance/cash-and-accounts-receivable> under Deposit Funds

Cross-References:

Identifying counterfeit money resources - <https://www.bankofcanada.ca/banknotes/audience-specific-resources/general-public/>