



**University
of Windsor**

Financial Accounting and Reporting

401 Sunset Avenue
Windsor, Ontario N9B 3P4
T 519.253.3000 F 519.973.7080
www.uwindsor.ca/finance

Complete Policy Title:

Cash Handling Policy

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Policy Owner:

Controller

Approved By:

Vice-President, Planning and Administration

Contact Department:

Financial Accounting and Reporting

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 University of Windsor offers multiple payment mechanisms for students and customers, including cash, cheques, EFT, wire, e-Commerce, UWin card, and Point of Sales (POS). The University recognizes the heightened risk and carrying costs associated with performing transactions using cash and cheque. Every effort should be made by departments to mitigate this risk including not accepting cash and cheque as payment methods.

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 [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 (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 [float 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. 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 deposited via Brinks pick up. Departments should ensure all cheques are stamped "For deposit only" using a banking provider provided stamp.
4. Personal cheques may 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 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. 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. Each deposit should be reviewed by a supervisor, including an independent count of cash to be remitted.
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 will be reviewed by Financial Accounting and Reporting before they are posted to the GL, and back-up shall be provided upon request.
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. 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 should complete a [summary of deposit](#) form and submit to Accounts Receivable 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 ([Cdn cash](#), [US cash](#), [Cdn cheque](#), [US 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 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 petty cash and 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.

I: RECORD KEEPING

1. 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: PETTY CASH AND FLOATS

1. Departments on campus performing retail operations via cash require a float. Financial Accounting and Reporting 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.
2. 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.
3. There are instances where small transactions are performed and a purchasing card is not an accepted method of payment. These are rare, infrequent and should be avoided. Departments performing these transactions may hold a petty cash fund. A petty cash fund may not exceed \$50.00.
4. It is the responsibility of the departments to inform the Receivables Clerk immediately when a petty cash fund is transferred from one employee to another due to change in responsibility or position. The Receivables Clerk will perform petty cash confirmations at least annually with no advance notice.
5. Petty cash funds must be kept separated from float at all times.

K: FORMS AND CONTACTS

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

Need	Contact Person	Phone	E-mail
Deposit slips			
Deposit bags			
Cheque scanning			
POS machines			
Training on remote journal entries and bank deposit process	Dannielle Quenneville Receivables Clerk Jenifer Gritke Senior Accountant	Ext. 2125 Ext. 2139	Dannielle.Quenneville@uwindsor.ca Jenifer.Gritke@uwindsor.ca

L: LINKS

Detailed procedures:

[Finance Department Cash Handling Procedures](#)

[POS Procedures](#)

Float verification (where cash floats are utilized)

[Float verification Form](#)

Bank Deposits (department depositors):

[Summary of Deposit Form](#)

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

[Deposit of Canadian Cash Funds](#)

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

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

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