



CASH HANDLING POLICY

Policy #:	CO002.1
Policy Type:	University
Responsible Executive:	VP for Business Affairs
Responsible Office:	Office of the Controller
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I. Policy Statement

The University of Louisiana Monroe's Cash Handling Policy outlines the University rules for the proper handling of cash, including the responsibilities of University employees involved in the cash handling process.

II. Purpose of Policy

This policy outlines the method of physically handling and accounting for cash received by a Department directly from the remitter or through the mail.

III. Applicability

This policy is applicable to all faculty and staff, including students, who are involved in the cash handling process. This includes anyone who receives cash, opens mail that includes cash, deposits cash, reconciles revenues, or reviews Banner funds for proper postings of cash.

IV. Definitions

Cash: currency, coin, check, money order, travelers check, credit card, or debit card.

Cash handling: processes involving cash that may include any of the following: accepting cash payments, endorsing checks, issuing receipts, having access to cash, preparing the departmental deposit ticket, reconciling receipts to the departmental deposit ticket, reviewing the department deposit ticket, making the cash deposit, or comparing the departmental deposit ticket to the amount in Banner.

Restrictively endorsed: to stamp "For Deposit Only – ULM" on the back of each check.

Departmental deposit ticket: spreadsheet that accompanies cash when it is deposited. This spreadsheet should include the name of the department, date, name of person preparing the deposit, and the department telephone number. It should also include the correct University Banner fund, organization and account (or Index and account), along with a brief description of the transaction.

La Capitol Federal Credit Union (La Cap): institution the University currently contacts with to process deposits for the University.

Cash Collection Center: University department responsible for handling cash. Only official cash collection centers are permitted to handle cash. A department is not considered a cash collection center without the prior approval of the Controller or Vice President of Business Affairs.

V. Policy Procedure

Policy

1. University employees who receive and/or deposit cash must properly safeguard the cash and deposit it timely.
2. Only University employees (full, part-time, or student) are permitted to handle cash as defined under this policy and in accordance with the procedures outlined below.
3. The full amount of cash collected, including cash collected by departments, must be deposited with La Cap. Cash collected is not to be used to make disbursements or refunds, and deductions may not be made to pay expenses. If a department requires a petty cash fund to provide change to customers or to make small purchases, a request for a Permanent or Temporary Petty Cash may be requested from the Controller.
4. Access to cash should be restricted. All cash, including cash collected by individual departments, must be safeguarded from fire and theft and stored in a locked safe, cabinet, or drawer depending on the amount of cash. When possible, departments should encourage the use of check payments instead of currency. An individual department should not accept payments by cash without prior approval of the Controller's Office.
5. All checks should be made payable to "The University of Louisiana at Monroe" or "ULM". Checks payable to The University of Louisiana at Monroe cannot be deposited with the ULM Foundation and checks payable to the University Foundation cannot be deposited with ULM.
6. All bank accounts for the University must be set up by the Controller's Office. No employee may establish a University bank account or deposit University funds into an unauthorized bank account. Only the President, Vice President of Business Affairs, and the Controller can establish a University bank account. If anyone else establishes a bank accounting using the University's name or Tax ID number, the account will be considered an unauthorized bank account.

Cash Collected by a Department

1. Currency/checks received should be immediately receipted in triplicate (original for the customer, one copy for the department, and one copy to be sent to La Cap Federal Credit Union with the deposit). Checks received by the department must be recorded on a check receipt log. The log must, at a minimum, include the following info: the payer of the check, the check number, the check date, the amount of the check, and the date the check was received by the department. All checks and money orders should also immediately be restrictively endorsed. An endorsement stamp may be ordered if you do not have one. All new endorsement stamps should contain "For Deposit Only University of Louisiana Monroe" as the first line and "Department Name" as the second line.
2. All cash received by the department and submitted to La Cap requires a completed departmental deposit ticket. The department must maintain a record of all deposit tickets. The department must complete the name of department, date, name of person preparing the deposit, and the department telephone number located at the top of the deposit ticket.

3. To ensure proper credit, the departmental deposit ticket should include the correct University Banner fund, organization and account (or Index and account), along with a brief description of the transaction.
4. Any questions concerning the completion of the form should be addressed to the Controller's Office at 342-5100.

The Cashier will verify that the deposit ticket total agrees with the cash received and stamp all copies of the ticket. One copy will be returned to the department and the Cashiers will retain the original.

5. All cash received by departments must be supported by appropriate documentation as listed below:

All deposits must be accompanied by departmental deposits. Credit card transactions must be supported by the individual credit card sales receipts. Any other documents which will help to ensure the proper documentation and coding of the funds should be included with the deposit. This supporting documentation may include a copy of the check, computer printout, supporting spreadsheet or itemized list, reconciliation, internal memorandum, or letter from the payer.

The department must retain copies of supporting documentation, including any receipts issued to students or other customers.

6. When departments find discrepancies or have questions about their deposits, they should contact La Cap at 342-5130 (if found the same day the deposit was made) or the Controller's Office (if found after the date the deposit was made)
7. A department should immediately contact the Controller, University Police, appropriate Dean or Division Head, and the Office of Internal Audit if monies are found to be missing, or if there is suspicion of theft or diversion of funds.

Segregation of Duties

1. Departments handling cash should separate, to the extent possible, all duties relating to cash handling. A system of checks and balances should be established in which tasks are performed by different individuals in order to assure adequate controls. For example, one person should prepare the deposits and a second person should review the department's monthly ledger verifying the deposits.
2. It is the department head's responsibility to ensure that any amount deposited with La Cap includes all monies received.
3. The department head or his designee should review the department's account on a regular basis, but not less than monthly. The department head may access the departmental accounts and transactions online.

Checks Returned by Depository Bank

1. Checks returned by the depository bank for non-sufficient funds, stop payments, or closed accounts result in additional service fees to the University. Students or staff whose checks are returned to the Controller's Office for any of these reasons will be assessed a returned check fee as set by the Controller's Office. Students or staff who have several returned checks may permanently lose their check writing privileges at the University.
2. Each department is responsible, when appropriate, for collecting funds owed when checks they accepted are returned by the depository bank.

Training

All employees, including student workers, who handle cash are required to complete cash handling training periodically. The departments designated as "cash collection centers" are responsible for notifying the Controller's office of any employees, including student workers, involved in the cash handling process.

The Controller's office will monitor the listings and will occasionally reach out to the cash collection centers to request training be updated, especially when 1) training has not taken place over a significant period of time, or 2) changes have been made to the cash handling policy.

It is the responsibility of the cash collection centers to ensure that all employees involved in the cash handling process receive training. Training will be completed through an online training system and supporting documentation will be maintained by the Controller's Office.

Cash/Check Handling Procedures – Summary

1. Cash/checks received should be immediately receipted in triplicate (original for the customer, one copy for the department, and on copy to be sent to La Cap with the deposit).
2. If check, it should be endorsed.
3. Cash and checks must be stored in a safe or other secure place until deposited with La Cap.
4. Deposits must be sent to La Cap on a timely basis.
5. If receipt needs to be voided, the supervisor of the employee receiving the money should authorize the void (should also retain the customer's copy when voiding a receipt). Voided receipts should be sent to La Cap with the next deposit.
6. Employee collecting the funds should balance funds to receipts.
7. Another employee, typically the supervisor, should verify the funds.
8. Once deposit is made with La Cap, the receipt should be matched with the department's copy of the deposit slip.
9. The deposit should then be verified/reconciled to the Banner System (to be sure the funds were properly recorded).
10. If for some reason the deposit does not agree with the Banner system, contact the Controller's Office so that a correction can be made.

VI. Enforcement

The Vice President for Business Affairs is responsible for enforcement of the policy.

VII. Policy Management

Upon adoption, the Vice President for Business Affairs shall be the Responsible Executive for the management of this Policy. The responsible officer is the Controller and the Office of the Controller is the office that is responsible for implementing and administering the policy.

VIII. Exclusions

Any unusual circumstances or special projects not fully covered under this policy should be addressed to the Controller's Office.

IX. Effective Date

This policy will be in effect upon the date it is adopted and signed by the Vice President for Business Affairs and approved by the Cash Management and Review Board.

X. Adoption

This policy is hereby adopted on this 30th day of September 2019.



Dr. Bill Graves, Vice President for Business Affairs

XI. Appendices, References and Related Materials

Temporary Petty Cash Form
Check Receipt Log Template

XII. Revision History

Original Adoption Date: Interim Policy Adopted on May 23, 2018

Revised September 30, 2019: Revisions include formatting into the new policy template, the removal of the term "next business day" and replacing it with the term "timely". Addition of a check log and addition of a training section.