



Business Office – Accounting – Cash Handling Policy

Policy Overview

All Charleston Southern University departments that handle cash must have both an awareness of and a commitment to strong internal controls for cash receipts. Managers in University departments are responsible for maintaining the proper environment of internal controls. This environment is established by the University's written procedures. It is maintained by awareness through regular communications between management and staff and through management's commitment by example and review.

Internal controls are necessary to prevent mishandling of funds and to safeguard against loss. Strong internal controls also protect employees from inappropriate charges of mishandling funds by defining responsibilities in the cash handling process and ensuring compliance with federal and state regulations.

"Cash" includes coin, currency, checks, money orders, and credit card transactions.

All University departments collecting cash must address the following cash receipt controls by developing and implementing procedures in support of these controls. Campus departments with occasional cash receipts must, whenever possible, follow, the same minimum operating procedures that apply to units handling cash on a regular basis.

Department Responsibilities

Accounting for Cash as it is Received

Regardless of how the cash is received, two (2) employees are required to: 1) record all of the following information on the cash receipt log, 2) confirm that all of the information on the log is correct, 3) add all cash, checks, etc. and confirm that it agrees to the total on the cash receipt log, and 4) sign and date the cash log before depositing.

1. If received in person, ring up on a cash register or record on a pre-numbered multiple-copy receipt form (available from office supply store). Give a copy of the receipt to the customer.
2. If received by mail, enter the payment immediately into a registration or order system, or cash receipt journal (for example, a computer application or payment log). It is mandatory that two (2) employees are available to open and record cash received in the mail, or collected at a fundraiser event.
3. Indicate the type of payment (currency or check).
4. Restrictively endorse checks immediately as "*Deposit only-Payable to Charleston Southern University*" on the left. 1 ½" of the back of the check.
5. Credit card payments can only be taken in person with a valid photo ID present. Credit card payments cannot be taken over the phone. Items can be purchased online if necessary via Cashnet.
6. A portable credit card terminal can be checked out at the cashier's window no earlier than one business day prior to your event. Please call ahead to ensure availability.

Separating Individual Cash Handling Duties

Separate the components of cash handling – collecting, depositing, and reconciling – so that one individual does not have responsibility for more than one component. In small departments separate the handling of the actual cash from the reconciliation.



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Safeguarding the Handling and Storing of Cash

1. During hours of operation, secure coins, currency, and checks to restrict access.
2. At other times store all coins, currency, and checks in a safe or other approved, locked secure place until they are deposited. This includes the portable credit card terminals.
3. Each cashier should be assigned their own cash drawer.

Reviewing / Approving Voided Cash Receipts

The supervisor of the cash collection area has the responsibility for reviewing and approving voided cash receipts and documenting all actions performed.

Depositing Cash Promptly

1. Deposit cash receipts the earlier of weekly or when the total on hand reaches \$500. Certain locations may require a more restrictive policy based on security, cash/check composition, and the average dollar amount of checks.
2. If using the portable credit card terminal return to the cashier's window at your appointment time the next business day.
3. Deposit all funds received. Do not make refunds, pay expenditures, or create a change fund from cash receipts. Do not hold checks for future processing. Do not use cash receipts to cash checks from employees and customers.

Reconciling Daily and Monthly Activity

1. Daily balancing: Balance each deposit by comparing:
 - a. The cash receipt records (cash register tape, pre-numbered receipts, or receipt log totals)
 - b. The completed cash transmittal
 - c. The validated deposit document (sequential deposit slip if a direct depositor, cash transmittal if a depositor at Business Office Cashier).
2. Document unidentified differences.

Monitoring the Cash Receipts Process

Administrators not directly involved with the cash receipt process have the responsibility to periodically:

1. Review the nature and extent of overages and shortages.
2. Compare actual deposits recorded with expected receipts.
3. Review daily cash activity reconciliation.
4. Compare the mode of payment (coin/currency or checks) recorded at the time the cash was received with the coin/currency and checks total on the validated deposit document.
5. Evaluate overall internal controls to ensure that reasonable controls exist to safeguard cash, and that employees understand and follow them.

Required Documentation

1. All employees responsible for processing cash transactions must sign an acknowledgement form and return to their department administrator on an annual basis.
2. The department administrator must collect all acknowledgement forms and submit with an authorization form to the Business Office on an annual basis. Please make sure this is updated with any change in employment or responsibilities.



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ACKNOWLEDGEMENT OF RECEIPT OF POLICY

I have received a copy of Charleston Southern University's policy on cash handling as revised May 24, 2016, understand the contents thereof and agree to abide by these rules and procedures.

Print Employee Name: _____

Signature

Date

Print Supervisor Name: _____

Signature

Date



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AUTHORIZATION/PROCESS FOR CASH TRANSACTIONS

Department Name: _____

Department Administrator: _____ Phone: _____

Authorized Employee: _____ Phone: _____

Authorized Employee: _____ Phone: _____

Authorized Employee: _____ Phone: _____

Authorized Employee: _____ Phone: _____

Authorized Employee: _____ Phone: _____

Authorized Employee: _____ Phone: _____

Internal Control Process:

Cash Reporting Technique (register, receipts, etc.) _____

Safeguarding Technique (safe, locked cabinet, etc): _____

Depositing Procedure (circle one): Daily Weekly

(NOTE: In order to avoid waiting in line or inconveniencing students needing assistance from the Cashier, we recommend that you contact the Cashier's office to set up a regular time to make your deposits.)