



## Cash Handling Procedures

### 1. Obtaining a Change Fund

- Complete a CHECK REQUEST FORM to request a change fund.
- The Form should include the name of the person responsible/ be properly approved/ and also include a description.
- Turn form in to Sandy Capell or Scott Wood at Finance and Business Services when Completed.
- Think Ahead, processing a check can take up to 3 days.
- Keep Change Fund amount to a bare minimum. If in doubt about the amount contact Finance & Business Services for help.
- Keep the Change Fund Safe and Secure at all times.

### 2. Collecting Cash

- Each person authorized to receive cash should have a separate secure cash drawer or register.
- All sales or cash received must be entered into either;
  - A cash register, an automated cashing system, Or recorded on a pre-numbered duplicate receipt. (Available through UVU Business and Finance, **Sandy Capell ex 8293.**)
  - All Checks Should be restrictedly endorsed immediately upon receipt.
    - Stamp back of check:

PAY TO THE ORDER OF  
WELLS FARGO BANK  
FOR DEPOSIT ONLY  
UTAH VALLEY UNIVERSITY  
184-0026-77

**YOUR DEPARTMENT NAME HERE**

- Temporary use of Credit Card machines can be arranged by contacting **Mike Jones ex 8291.**
  - When receiving payment via credit card **compare the signature** on the back of the card and **verify picture ID.**

### 3. Sales Tax Information

- **State Law requires that sales tax be collected on ALL sales**
- **With the Exception of:**
  - Class related or required sales i.e., books, booklets, gloves, etc.
  - Admissions to UVU Athletic Events.
- **Check with David Phillips ext. 8292 for information on collecting Sales Tax**
  - Sales tax rate varies by City so get the correct rate. **Orem is 6.85%**
  - Separate the Sales tax collected from sales revenue on the deposit.
    - Deposit to **STAX** on **Touch Net** or **Index code S12732-200023** on **BANNER.**
  - Sales for fund raisers are not exempt from sales tax!

### 4. Securing Cash

- Do not leave cash, cash box, or an individual's personally identifiable information on your desk.
- Cash and checks should be kept in a secure register or cash box.
- If copies of checks are made block out all personal financial information, bank account and routing numbers.
- **All collected cash should be kept in a locked safe.**
  - Access limited to only 2 -3 people.
  - Change combinations on a regular basis.

- **Or a locking cash box.**
  - Cash box should be additionally kept inside a locked drawer or closet when not in use.
  - Access limited to the person collecting and immediate supervisor.
  - Key should be kept in a secure secret place.

#### 5. Credit Card Security

- Federal laws and PCI (Payment Card Industry) Compliance Security Standards require UVU to maintain proper controls and procedures to prevent identity and credit card information from being compromised or stolen. **Contact Shawna Taylor ex 5718 for further information about PCI compliance.**
- Keep Credit Card Information Secure...
  - Never email or fax credit card numbers.
  - Never store credit card information on a computer or external storage device, i.e. in a file cabinet.
  - Destroy/shred/block out records with an individual's full name and credit card number.
  - Never throw this type and other personally identifiable information in the trash or recycle bin or leave unprotected on your desk.

#### 6. Balancing

- **Cash receipts must be balanced every day or every shift.**
- **Person balancing**
  - Compares the total cash, checks, credit card receipts received to the cash register tape totals or pre-numbered receipts.
  - Investigates and resolves discrepancies then initials or signs and dates to document the balancing.
  - Person balancing should **NOT RECEIVE CASH AND BALANCE CASH** in order to maintain proper segregation of duties.

#### 7. Cash Deposits

- **Deposit all funds received. Record all Overage/Shortages.**
  - Departments depositing funds on a recurring basis should contact;
    - **Janeen Marsigli, Cash Management Supervisor ex 8956**, for **TouchNet** deposit system signup and training. **TouchNet** is an easier way to access and record your cash, check and credit card deposits.
  - Departments depositing funds from an annual or special activity;
    - Annual or occasional Deposits can be made on a Department Generated form or Miscellaneous Cash receipt form from the Cashiers Office.
- **Deposit should be prepared by someone who did not collect the cash.**

#### 8. Transporting Cash

- Secure the cash and checks in sealed cash bags available at Office Supply Store.
- Don't be conspicuous.
- Don't be predictable; don't take the same route or go at the same time of day.
- Use common sense.

#### 9. Reconciliation

- Reconciliation should be performed **by someone other than the person who received the funds or prepared the deposit.**
- **Reconcile the Departmental cash report to:**
  - **TouchNet Deposit Input Report** or UVU Cashier's Office deposit receipt.

- Reconcile deposits to **BANNER** Department Reports on a regular basis.
  - This should be done and initialed by **Manager** at least monthly.

**10. Management review**

No matter who collects deposits and reconciles, Department management is ultimately accountable.

- Management Responsibilities
  - Establish effective internal control system.
  - Delegate cash handling duties to maintain proper segregation of duties.
  - Require that those handling cash follow appropriate procedures and policies.
  - Review receipts and reconciliations on a regular basis.

**11. Segregation of Duties**

- The primary objective is the prevention of fraud and errors.
- **Fraud** is most often committed by **trusted** employees because of:
  - **Financial Pressure**
  - **Rationalization**
  - **Perceived Opportunity**
- A good system of internal controls and separation of duties reduces both real and perceived opportunities to commit fraud and theft.

**Compensating controls must be implemented if you don't have enough people to segregate duties. Consider the following alternatives:**

- **If external billings are necessary send them through UVU Accounts Receivable.**
  - Internal invoices should be reviewed/verified by another person.
- **Two sets of eyes principle.**
  - 2 people open the mail, one lists the checks manually or inputs them in the system, and the other separately totals the checks. Both lists must balance (they become receipt documents).
  - Deposit can be prepared by one of these individuals.
  - Verified in BANNER by supervisor/ Banner Responsible Party.

**12. How to Segregate Duties**

Responsibility	Duty	Ideal 4 person Environment	Good: 3 person Environment	Minimal: 2 person Environment
Cash receiving (cashiering) and counting cash as part of the cash drawer closing process	<b>Asset handling</b>	Coworker 1	Coworker 1	Joint - Coworkers 1 & 2*
Deposit preparation, and the recording of cash receipt on the Departmental / Sub Cashier Cash Collections Deposit Form.	<b>Booking/ Recording</b>	Coworker 2	Coworker 2	Joint - Coworkers 1 & 2*
Cash-related ledger correction or adjustment (journal voucher) review and approval	<b>Booking/ Recording</b>	Coworker 4	Coworker 3	Initiation: Coworker 2 Approval: Coworker 1
Making the cash deposit at the Campus Cashier's Office	<b>Asset handling</b>	Coworker 3	Coworker 1	Coworker 1
Comparing cash deposits recorded in the general ledger to deposit amounts appearing on copies of the Departmental / Sub Cashier Cash Collections Deposit Form	<b>Comparison/ Review</b>	Coworker 4	Coworker 3	Coworker 2**

**13. Cash Equivalents:** If you have responsibility for cash equivalents such as **gift cards** or **lab fee cards** they must be **treated the same as cash.**