

Policy Name:	Cash/Cash Equivalent Handling
Originating/Responsible Department:	Financial Services
Approval Authority:	Senior Management Committee
Date of Original Policy:	May 2002
Last Updated:	September 2024
Mandatory Revision Date:	September 2029
Contact:	Associate Vice-President, Financial Services

Policy Statement:

This policy, along with the detailed procedures, sets out good business practices and minimum procedural requirements for handling and safeguarding University cash receipts. The establishment of strong internal controls for cash collections is necessary to prevent mishandling of funds and to safeguard against loss.

Purpose:

This policy provides direction for ensuring proper controls over all revenue sources and types of receipts by properly safeguarding, depositing, and recording funds.

Scope:

This policy applies to all Departments and all staff whose duties involve receipting, handling, or processing cash and/or cash equivalents of any type.

Cash and cash equivalents include, but are not limited to, currency, cheques, money orders, bank drafts, payments via credit card, debit card, e-commerce, campus card, and electronic funds transfer.

Procedure:

The Cash/Cash equivalent handling procedures, which form an integrated part of the policy, set out the minimal procedure requirements for handling cash and equivalents.

<https://carleton.ca/financialservices/wp-content/uploads/CashHandlingProcedures.pdf>

The following are addressed in the procedural documents and must be adhered to:

1. Written Procedures
2. Segregation of Duties
3. Employee Training and Background Checks
4. Physical security/safeguarding assets
5. Prompt Deposit of Cash Receipts
6. Cash receipts must be deposited intact
7. Collecting and Remitting Taxes
8. Completing Deposit Forms
9. Reconciliation of Cash Receipts
10. Receipting
11. Post-dated cheques
12. Dishonored or Returned Cheques

13. Receipt of Payment for (GAR) Invoicing
14. Incoming Wire Payments
15. Deposit Errors
16. Report all Breaches
17. Requirements for Credit/Debit Card Processing

Role and Responsibilities:

Staff receiving funds on behalf of the University are responsible for:

- Adhering to this policy and all administrative procedures
- Maintaining records for audit purposes

Management of departments receiving funds on behalf of the university are responsible for establishing an effective internal control system which includes:

- Delegating responsibility for cash handling duties
- Maintaining proper segregation of duties
- Ensuring staff handling cash or cash equivalents are properly trained
- Ensuring staff follow all cash handling and depositing policies and procedures
- Reviewing receipts and reconciliation on a regular basis
- Specifying the actions to be taken by management based on the dollar amount and/or frequency or overages and shortages
- Investigate unusual variations in revenue

Financial Services is responsible for:

- Monitoring deposits
- Performing timely bank account reconciliations and investigating any discrepancies between internal records and the bank's records
- Conducting unannounced cash counts to ensure the accuracy of collections
- Performing trend analysis of cash deposits and activity levels, which may identify anomalies or potential fraud
- Managing the armoured car services to ensure safe delivery of funds to the bank

Contacts:

Associate Vice-President (Financial Services)
Director, Business Operations
Receipt Accounting Supervisor

Related Policies:

Acceptable Use of Information Technology and Email Policy
Bank Accounts, University
Business Continuity and Resilience Policy
Commercial and Supplemental Revenue-Generating Activities
Corporate Records and Archives Policy
Data Protection and Risk Management Policy
Financial Fraud Prevention and Reporting
Petty Cash Fund
Procurement Policy
Risk Management Policy
University Information Technology (IT) Security Policy