



Antelope Valley Community College District

Cash Handling

Process and Procedures

Overview

Many areas receive cash on behalf of the College for the sale of goods and services (cash sales). Payment by currency, check, bank drafts, money orders, and credit and debit card are all possible forms of acceptable payment. Strong internal controls must be in place to ensure cash proceeds are adequately safeguarded and deposited. It is imperative that areas opting to conduct cash transactions fully understand and accept the related cash handling responsibilities.

Purpose

To state the responsibilities and required procedures related to the safeguarding of cash, segregation of duties involving cash handling, the processing of cash proceeds, and ensuring the completeness of cash transactions. All individuals receiving cash are required to read this Cash Handling Procedures and will be required to sign that they've read and understand them. The Division Dean or Director will keep the signed copies on file in case of an audit.

Safeguarding cash

All cash received in an area is the responsibility of that area until it is deposited with Business Services' Cashier or directly with the bank.

All cash must be kept in a secure location. Particular attention needs to be paid to the security of cash overnight and during the day. Cash must not be left unattended during

the day. Cash should be stored overnight (or during the day while unattended) in a cash box within a locked cabinet or safe to which there is restricted access.

Under no circumstances are cash proceeds to be used for making loans, advances, or to pay for College expenditures. All cash proceeds must be properly deposited.

Segregation of Duties

Critical controls such as segregation of duties, limited access, and regular reconciliation are important in handling cash.

The number of individuals authorized to receive and handle the cash should be limited.

The individual who receives cash should prepare a listing of all incoming cash.

Each area should ensure that the responsibility for receiving cash is segregated from the responsibility for depositing the cash. No one person should be permitted to handle a transaction from beginning to end.

A supervisor should compare the record of the initial receipt of cash to the amount deposited. Specifically, the Deposit Form, which reflects both the amount deposited and the General Ledger entry, should equal cash register totals or receipt book totals for the same period.

Processing Procedures

All cash proceeds must be receipted immediately with either pre-numbered official College receipts or approved cash register receipts or College registration system receipt.

All receipts must include the College Receipt Number for all items sold or service received. It is good practice to record the form of payment received on the receipt (i.e. currency, debit card, check, type of credit card).

All cash proceeds must be regularly deposited into an authorized College bank account. Areas must ensure cash proceeds are correctly coded to area/departmental accounts.

Cash Sales Deposit Procedure

Overview

Many areas receive cash on behalf of the College for the sale of goods and services (cash sales). Payment by currency, coin, check, bank drafts, money orders, and credit and debit card are all possible forms of acceptable payment. It is important that related procedures are in place to ensure effective and efficient control and stewardship and accurate and timely recording of these proceeds.

This procedure does not apply to donations or the payment of College invoices (those generated from the external billing process). Donations are to be forwarded to Foundation (who are responsible for receipting and depositing for their area), while invoice payments are to be forwarded to Business Services.

Purpose

To ensure areas receiving cash are aware of their responsibility to properly deposit and record the proceeds, and document the procedure to be followed.

To establish a process with strong internal controls that supports best cash management practices.

Receipting

Before depositing, all cash sales proceeds must be properly receipted. **Under no circumstances are receipts to be issued for proceeds to which the College is not legally entitled. Therefore, non-College proceeds are not to be deposited.**

Deposit Frequency

To support best cash management practices, all cash proceeds (currency, coin, checks, money orders, bank drafts, and proceeds from credit and debit card transactions), need to be deposited as outlined below.

Non-electronic Deposits

Daily submission of deposits is recommended. Notwithstanding this, Cash Sales areas must submit deposits as follows:

- Not less than weekly
- Not less than daily during peak registration times.

Areas using cash registers must close their tills on a daily basis and do a daily reconciliation between the till Total and the individual transactions processed during the day.

Regardless of amount, all undeposited amounts must be deposited on the last business day of any given month. There must be no deposits outstanding at year-end.

Electronic Direct Deposits

Areas using electronic direct deposits (credit card terminals) must deposit proceeds daily, by closing each terminal on a daily basis. The Batch Total for each day represents the Bank deposit for that day. Areas must do a daily reconciliation between the Batch, and the individual transactions processed through the terminal that day. When the corresponding Deposit Form is submitted to Financial Services, the individual Batch slips must be attached. There must be no deposits outstanding at year-end.

Donations

Units must forward all donations to the Foundation for processing. The Foundation is also responsible for providing an official the Foundation receipt to the donor.

Deposit Process

An official Deposit Form must be submitted to BSA Cashier for all deposit types. Unique Deposit Forms (bound in books) can be obtained from BSA Cashier. Once issued, a Deposit Book becomes the responsibility of the area to which it was issued. Unused Deposit Books are to be returned to BSA Cashier.

The original copy of the Deposit Form (with proceeds if applicable) must be submitted to BSA Cashier.

It is important that proceeds deposited to the Bank match as closely as possible to proceeds recorded in the General Ledger (GL) for the same period.

The Deposit Form must include the following information:

Currency Type: A physical count of the proceeds submitted either to BSA Cashier or via Electronic Direct Deposit. Tender Types: Currency, Coin, Check, Bankdraft, Credit card (VISA, and MasterCard). Total Tender Types equals the Total Deposit amount.

- Deposit Reconciliation (for both Cash Register Receipting and Manual Receipting).
- Each Deposit Form is to be checked for accuracy by the preparer.
- The same person should not receive the cash and prepare the deposit.

Deposit Type

There are two (2) deposit types. Each deposit type must be submitted on a separate Deposit Form.

Non-electronic Deposits

The BSA Cashier processes non-electronic deposits. Armor truck (Brinks) transports deposits to the bank. Currency, coin, check, bank drafts, and money orders are accepted.

Electronic Deposits

The BSA Cashier nightly processes electronic deposits. This is done via a batch process. Credit cards deposits are the only electronic deposits.

Currency Type

Multiple forms of payment (i.e. Currency, coin, check, bank drafts, money orders, etc.) are allowed on the same Deposit Form.

Change Order Requests

Change order requests are used to request money for various student activities and events. Change orders are delivered to the Cashier's office by Brinks on Wednesday and Friday. The request will need to be submitted no later than 11 am on Tuesday for a Wednesday delivery and no later than 11 am on Thursday for a Friday delivery. In order to fulfill the request, the client ID and password will need to be on file with the Cashier's office.

About Checks

Checks **MUST be endorsed** on the back with the proper endorsement stamp.

There are two options for listing checks on the Deposit Form:

- List each item in the space provided on the Deposit Form. Enclose a calculator tape listing for three or more checks.
- Complete two calculator tape listings. Attach one to the deposit sheet and enclose the other with the check bundle. This is the preferred method.

Post-dated Checks

Post-dated checks are not a recommended point-of-sale form of payment. Since a post-dated check is a promise to pay, it is not legal tender or negotiable until the post-dated date. If accepted, post-dated checks cannot be deposited until it is negotiable (meaning no longer post-dated).

Dishonored Checks

BSA Cashier will process returned checks returned from the College's bank. (typically NSF checks, Closed accounts etc.) A copy of the check is sent to the depositing area. The area is responsible for collection from the original payer of the amount outstanding plus \$25 (NSF service charge). Funds collected to make good on a dishonored item are to be receipted with "NSF check" noted on the receipt.

Completeness of Cash Deposits

- To ensure all proceeds have been deposited and recorded areas must complete a Deposit Reconciliation sheet. Areas using cash register receipting must complete the Cash Register Receipting reconciliation. Units using manual receipting must ensure that all receipt numbers have been accounted for by completing the Manual Receipting reconciliation sheet (receipt numbers must be carried forward from previous deposits to the next deposit, to ensure continuity of receipt numbers). All areas must record and explain Overages (Shortages).
- Areas are required to periodically account for the sequentially numbered Receipt Books issued to them.
- The Deposit Form must indicate the Area/Department Name, date prepared.

BSA Cashier Records Retention

Business Services Area will retain the original copies of all Deposit Forms, along with appropriate backup provided by the BSA Cashier at the time of the deposit

Change Order Request Form

Account Name: _____

Date

Event Name: _____

Denomination

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| Pennies |
| Nickles |
| Dimes |
| Quarters |
| Ones |
| Fives |
| Tens |
| Twenties |

Amount

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Total

Change Order Request Form

Account Name: _____

Date

Event Name: _____

Denomination

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| Pennies |
| Nickles |
| Dimes |
| Quarters |
| Ones |
| Fives |
| Tens |
| Twenties |

Amount

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Deposit Summary Form

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Account Name

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