

# Bowdoin Finance Manual

## Cash Handling Policy

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### 1. Purpose

The purpose of this policy is to provide guidance on the proper methods for collecting, safekeeping, and depositing cash on behalf of the College.

### 2. Scope

This policy applies to all departments that receive cash on behalf of the College. Petty cash, Bursar functions, endowment cash and cash management are covered by separate policies.

### 3. Responsibility

Employees handling cash should familiarize themselves with the contents of this policy. The Department Head is responsible for

- ensuring that employees adhere to this policy,
- maintaining adequate security over cash, and
- having procedures that incorporate this policy into practice.

### 4. Definitions

*Cash* is defined as currency, coin, and checks.

### 5. General Guidelines

The following general guidelines should be followed when carrying out cash handling responsibilities:

1. Cash should be protected by using a cash register, safe or other secure device until it is deposited.
2. Cash should never be left unattended.
3. Large sums of cash should be counted and handled out of sight of the general public.
4. Checks should be restrictively endorsed immediately "*For Deposit Only to Bowdoin College*". Endorsement stamps are available from the *Bursar*.

## 6. Safekeeping

Cash should be stored in some type of safekeeping device such as a cash register, safe or locked drawer. Access to these devices should be limited to a minimum number of employees. Keys and safe combinations should be accessible by a minimum number of employees and only to those whose functions require access to cash. They should be stored in a separate location and kept out of sight. A safe combination should be changed when an employee who knows it is no longer allowed access to the safe.

Personal cash and property should not be stored in College owned safes.

## 7. Balancing Cash Receipts

Cash on hand should be balanced to some type of record such as a cash register total or sales log. When using pre-numbered receipts or tickets, a log should be maintained that indicates the start and end number, the date they were given out and the person they were given to. Voided items should be maintained for balancing purposes. The balancing record should be attached to the deposit form when the cash deposit is prepared.

When a cash register is in use, the following “best practices” should be followed:

- The drawer should contain a small amount of starting cash for making change.
- The drawer should be “cashed out” at the end of each employee’s shift. Register totals should be printed and then reset for the next employee’s shift. This provides a sales total to balance to when cashing out.
- Two employees should be present to count cash. A supervisor should sign off on overages/shortages.

Employees who do not regularly handle cash as part of their job should contact the *Bursar* for assistance with cash receipts.

## 8. Preparing a Deposit

Cash collections of \$500 or more should be delivered to the Controller’s Office within 24 hours. Otherwise, weekly deliveries are permitted. Someone not involved in the collection of cash should prepare the deposit when possible. Cash should be recorded on the [Deposit Form](#) in the appropriate space. A calculator tape of checks should be stapled to the deposit slip if there is more than one check.

An appropriate [project](#) number and [account code](#) must be provided on the deposit form. In general, expense codes and inter-department codes should not be used with deposits.

Deposits should be delivered to the Controller’s Office in a discrete manner so as not to attract the public’s attention. Employee safety should be a priority. Campus Security should be contacted for assistance with transporting large quantities of cash.

A locking deposit bag should be used to secure large quantities of cash (available upon request from the *Bursar*). Inter-office mail is not a secure method for delivering cash to the Controller’s Office.

### **9. Controller's Office Hours**

The Controller's Office, located on the 2<sup>nd</sup> floor of the McLellan Building, is open from 8:30 a.m. to 5:00 p.m. on Monday – Friday. The office may be closed if it is a Holiday – please call 725-3249 for more information.

### **10. Cash Audits**

Periodic cash audits and operational reviews are an integral component of internal control over cash. The Controller's Office will perform the audits and they may be unannounced. The results will be reported to the Senior *Vice President for Finance and Administration and Treasurer*. The Controller's Office will follow up with the Department Head to ensure findings are resolved in a timely manner.

### **11. Exceptions**

The *Controller* must approve any exceptions to this policy by written notice.