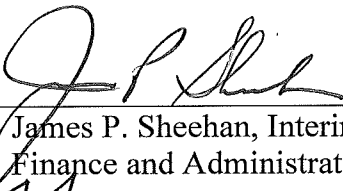


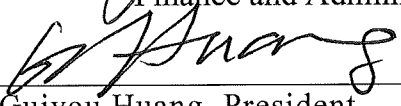
**Cash Handling Policy and Procedures - Policy No. F022**

Supersedes Policy No. F022: Cash Handling Policy and Procedures dated July 15, 2016; and archived Policy No. F002: Cash Management for University Operating United dated March 3, 1996

Recommended for approval:

  
James P. Sheehan, Interim Vice President  
Finance and Administration

Approved by:

  
Dr. Guiyou Huang, President

on

5/15/2019  
Date

Review Date: As Required

**INTENT**

Cash is received for University-provided services, contracts, grants, events and other sources of revenue or expense reimbursements. For the purpose of this policy, cash includes currency, checks, cashier's checks and money orders. Checks made payable to the University or any subdivisions of the University are considered University/public funds. This policy is intended to standardize monetary receipts process to minimize risk and will summarize procedures to collect handle, receive, transport and deposit cash.

**POLICY**

The Student Accounts Office is the University's primary cash handling agent. The collection and controlling of cash should be centralized in one location; however, it is not always possible or practical. Under certain situations the collection of cash is occasionally decentralized; such situations and procedures to follow are explained herein. To minimize the collection of cash outside the Student Accounts Office, departments should contact the Student Accounts Office to have a TouchNet Marketplace store created to collect online payments by ACH check or credit card.

Historical practices shall not constitute justification for deviation from the following guidelines. The Vice President for Finance and Administration reserves the right to make interpretations and exceptions to the policies contained in this document.

Requests for exceptions to these policies must be made in writing to the Vice President for Finance and Administration.

Changes in University cash handling policies and procedures may be made from time to time, and will be communicated via email. Amendments will be available electronically through the University's website and will be effective on issuance.

## **PROCEDURES**

### **A. Required Authorization to Collect Money**

Before undertaking a new cash handling operation or activity, approval for the activity must be received from the Vice President for Finance and Administration or his/her designee in writing. Once approval is granted, copies of cash collection policies will be distributed. Once accounts are established, the department should contact the Accounting Office to demonstrate how the cash will be accounted for and how deposits will be made. At that time the Department should contact the Student Accounts Office for assistance with creating an online payment gateway in TouchNet Marketplace.

### **B. Segregation of Duties in Campus Departments**

When at all possible, there must be a separation of duties between the person receiving/processing/depositing cash and the person responsible for maintaining the accounts to which the cash will be deposited. The reconciliation should be reviewed by department personnel who are not involved in cash handling or account maintenance.

### **C. Responsibility of Individual Departments**

#### **1. Compliance with University Policy and Procedures**

Departments are responsible for complying with the policies and procedures outlined in this document and for developing written departmental operating procedures. These written procedures should be approved by the Vice President for Finance and Administration. Additionally, the Student Accounts Office and the Accounting Office are available for consultation and review of departmental procedures. Departments are responsible for training designated employees in cash handling policies and procedures. If students are involved with the collections of cash, a university employee must supervise the activity and reconcile the collection activity. Student workers are prohibited from transporting cash deposits from the department to the Student Accounts Office.

#### **2. Safekeeping of Cash**

- a) All forms of cash (currency, checks, and money orders) must be safeguarded through the use of vaults/safes, locked cash drawers, cash registers, locked metal boxes, etc. Cash should not be maintained in desk drawers or file cabinets.
- b) Transportation of cash deposits to the Student Accounts Office in Hamilton Hall by University employees should not conform to any regular time or day of the week schedule. Such transfers should be irregular, subject to change without notice, with times known only to a select few.

### **D. Funds Received**

Incoming checks and currency must be recorded on a cash register, log, worksheet, ledger, spreadsheet, or on pre-printed receipts for each transaction. The only exception to this would be in the case where pre-numbered tickets are sold.

#### **1. Cash Receipts**

- a) Cash collected should be balanced on a daily basis to sales/income recorded (per the log or ticket copies). The whole deposit is to be transported to the Student Accounts Office in Hamilton Hall for validating, posting to the system of record, and depositing in the bank (see table in section H). Student Accounts will provide copies of validated receipts to the originating department.

- b) Responsibility for cash transactions within a department or at an event should be assigned to a specific individual or individuals so there is a means of establishing accountability. Sales proceeds during an event should be kept in a locked metal box or locked cash drawer or file at all times.

## 2. Check Acceptance

- a) Checks must be payable to "Edinboro University." Other information on the memo line is for the convenience of the department only and not necessary. Otherwise, avoid writing on the face of the check, as it may affect the ability to electronically deposit the check.
- b) Checks must be restrictively endorsed to Edinboro University immediately upon receipt. Pre-printed endorsement stamps are available through the Student Accounts Office. The endorsement must include the following: For Deposit Only - Edinboro University and is limited to the top 1.5 inches on the backside of the check at the trailing edge. When looking at the face of the check, the endorsement area is directly behind where "Pay to the order of" is printed.
- c) The Student Accounts Office will deposit checks in the bank daily via a check scanner.

**E. Limitations on Acceptance of Payments by Check** - Departments are not authorized to return currency to the payer in the event that the check exceeds the amount due to the University. Checks that exceed the amount due to the University should not be accepted; however, the Student Accounts Office may accept overpayments and advance deposits on account with management's approval. **The University does not accept post-dated checks.**

## F. Returned Check Procedures

1. Checks returned by Edinboro University's depository bank as uncollected are sent to the Student Accounts Office. Examples of returned checks include: non-sufficient funds (NSF), account closed, payer's signature missing, refer to maker and post-dated or stale-dated checks. The university fee for NSF checks is \$30 per item.
2. The Student Accounts Office will charge the originating department's account for the amount of the returned check. A copy of the transaction and the returned checks are mailed to the originating department for collection. It is the originating department's responsibility to notify the check writer and inform them about the returned check and the university's intent to collect the amount returned. Restitution may be in the form of cash, money order, cashier's check or certified check.
3. Contact the Student Accounts Office regarding returned items which remain uncollected after 90 days from the bank deposit date.

## G. Cash Payments over \$10,000

The IRS requires reporting for any receipt of cash (currency or coin) in excess of \$10,000 from the same person (payer) that is received in the course of the University's trade or business within any twelve-month period. Employees collecting funds must be aware of the reporting requirements in order to be in full compliance with IRS Publication 1544-Reporting Cash Payments of Over \$10,000 Received in a Trade of Business. Student Accounts is the only department authorized to accept cash in excess of \$10,000 from one payer in a given transaction.

1. Departments should alert the Student Accounts office and obtain instructions if there is a possibility that transactions for an event or activity could result in one payer presenting currency or coin in excess of \$1,000.
2. Student Accounts staff will maintain a current electronic log of cash payments of \$1,000 or more from one payer.
3. The Student Accounts Office will maintain a file of three current forms: Record of Cash Transactions, Cash Transaction Reporting Form and a Required Statement to Payer.
4. When presented with a cash payment of \$1,000 or more, staff will review the log to see if the payer is listed.
  - a) If the payer is on the list the cashier will log the amount of the payment and the number of \$100 bills in the transaction on the Record of Cash Transactions form on file and verify the information on the Cash Transaction Reporting Form.
  - b) If the payer is not on the log, the cashier will complete the Record of Cash Transactions form and the Cash Transaction Reporting Form.
5. If cash receipts from a single payer reach \$10,000 in a twelve-month period, the Student Accounts Office will notify the Controller. The Controller will complete Form 8300 and file that form with IRS.
6. After the Controller has filed the IRS Form 8300, the Student Accounts Office will send the Required Statement to Payer to notify the payer that the Form 8300 has been filed.

#### **H. Requirement for Deposits - Deposit Forms and Supporting Paper Trail**

1. Deposits should be made on an Edinboro University Campus Deposit Form (available for pick-up or mailing from the Student Accounts Office).
2. Deposits that involve cash and /or multiple checks should be counted twice prior to being delivered to the Student Accounts Office. In addition, an adding machine tape reflecting the deposit amount should be stapled to the deposit form. On the adding machine tape the cash should be sorted by denomination and checks should be listed individually.
3. Deposits are to be submitted to the Student Accounts Office, first floor Hamilton Hall in a timely manner (see table below) to facilitate posting to accounts and ensure the security of University/public funds. Departments with special circumstances that deviate from the chart below must have the approval of the Vice President for Finance and Administration or his/her designee. The office is open Monday through Friday.
4. After-hours deposits After-hour deposits must be made at the 24-hour University Police office on Scotland Road. The use of a locked bag is required for these deposits. Please contact the Student Accounts Office for information on obtaining locked bags for after-hours deposits.
5. The Student Accounts Office will use remote scanning to deposit checks in the bank. If a check will not scan, then it will be deposited with next cash deposit.
6. The Student Accounts Office will deposit cash on the business day after cash on hand exceeds \$1,000.
7. Unauthorized Activities include, but are not limited to the cashing of checks from University deposits, borrowing cash for personal use, lapping receipts to cover shortages in cash receipts, withholding checks for deposit in order to float checks, commingling of personal and University funds, and modification of cash records. All of the aforementioned are serious offenses and will result in an immediate referral to University Police and Human Resources for disciplinary action.

<b>Cumulative Receipts</b>	<b>Minimum Frequency of Deposit to Student Accounts Office</b>
Up to \$249.99	Within 3 business days
\$250.00 to \$999.99	Within 2 business days
\$1,000.00 to \$9,999.99	Next Day
\$10,000.00 or more	Same day

**RELATED POLICIES**

IRS Form 8300 Reference Guide

<https://www.irs.gov/businesses/small-businesses-self-employed/irs-form-8300-reference-guide>**CONTACT INFORMATION**

Vice President for Finance and Administration

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