# ***University of Wisconsin – River Falls***

***Cash Handling Procedures***

**Introduction**

This cash handling procedures manual provides guidance for general internal controls, cash and credit card handling, deposit form completion, and deposit frequency. This information will help your department comply with University guidelines. If you require any further assistance with cash handling matters, please contact the Cashier in the Student Billing Office at 425-3805 (215 North Hall). **“Formerly Accounts Receivable & Cashier’s Offices”**

The following recommendations will help your department comply with the University of Wisconsin-River Falls, UW System, and State guidelines.

**Internal Controls**

* Student charges **must** be included on the student’s billing statements whenever possible in order for the funds to go directly to the Student Billing Office.
  + Contact the Bursar to arrange to have charges applied directly to student accounts by Student Billing.

***Please note that special course fees must be billed to students. Faculty or instructors are prohibited from collecting fees from students by UW System Special Course Fees policy (G29.)***

* Miscellaneous invoicing and the related receipts should be handled by the Student Billing Office, whenever possible, to reduce cash handling by other departments. Contact the Cashier in Student Billing for more information.
* All State funds must be deposited through Student Billing Office. Only Student Billing, Accounting, and remote locations are authorized to have bank accounts for State funds.
* Written procedures which adequately address the department’s operational cash and credit card transaction handling requirements **must** be on file. Each department handling cash or credit card transactions has responsibility for documenting and complying with their cash handling procedures.
  + Written procedures **must** include how to handle cash overages and shortages.
* Purchases, cashing of employee checks or creating IOUs from a petty cash or change fund is prohibited.
* Voids and refunds should be approved or monitored by someone without cash handling responsibilities; typically this is done by a supervisor or manager.
* Deposits should be reconciled to University accounting records in WISDM by the department member responsible for the funds. (This is usually the office manager or department chair. It **must** not be the person making thedeposit.)
* Records **must** be maintained for audit purposes and to guard against loss. Deposit slips and receipts need to be retained for at least seven years.

**Cash Handling**

* Cash and checks **must** be kept in a secured area such as a safe or lockbox until delivered to the Student Billing Office or deposited to the bank.
  + Keys and combinations to the storage area **must** be under proper control at all times.
  + Keys and combinations must be changed when there is a change in responsible person.
  + Limit the number of employees with access to cash. However, more than one individual should be present when cash is handled.
* Designate individuals responsible for the following roles of cash handling for department
  + Invoice Processor/ Sales Managers
    - Creates and sends invoices
    - Cannot have access to the cash at any point
    - No overlap in roles except with Reconciler
  + Cashier
    - Receives cash or check from customer
    - Provides a receipt to customer paying in person
    - Counts the cash and submit the supporting documentation at the end of the day.
    - No overlap in roles except with Deposit Preparer.
  + Deposit Preparer
    - Retrieves and counts cash and checks from the business day
    - Prepare the departmental deposit
    - No overlap in roles except with Cashier
  + Reconciler
    - Reconcile Deposit transactions to the supporting documentations and WISDM
    - Cannot have access to the cash at any point
    - No overlap in roles except Invoice Processor
* Cash and checks should always be transported to the Student Billing Office in a locked money bag. Contact the Student Billing Office if a money bag is needed. One of the following methods should be used to transport deposits to Student Billing (interoffice mail should **not** be used).
  + Hand deliver by a member of the department who has responsibility for cash handling.
    - Conceal the locked bag when transporting across campus if possible.
    - Vary the time and route when making deposits to avoid establishing a noticeable routine.
  + Arrange for Campus Security to deliver the deposit. It is highly recommended that cash amounts over $500.00 be delivered by Campus Security.
* All checks should be stamped when received. Contact the Student Billing Office if assistance is needed to order a restrictive stamp (printing “For Deposit Only”).
* Departments must issue receipts for all payments. An official University receipt book can be obtained to record transactions that do not have a system generated receipt. All manual receipts must be properly numbered, completed and accounted for (i.e., no missing receipts in the pre-numbered sequence).
  + Complete all information on the receipt, including:
    - Name
    - Written amount
    - Numeral amount
    - Form of payment (i.e., cash, check, money order)
    - Reason for payment
    - Signature of the person preparing the receipt.
  + If a mistake is made, then VOID the receipt:
    - Write VOID legibly and in large letters across the receipt.
    - Keep BOTH the original and copy in the receipt book.

**Credit Card Transactions**

* All departments planning on using credit cards need to request authorization from the Controller, and arrange with Division of Technology Services (DoTS) to integrate an online system for credit card payments to the University software.
  + Written departmental credit card handling procedures must be submitted when requesting a merchant ID number.
  + The University must have a system available for departmental credit card acceptance.
  + Websites for accepting credit cards must include a return policy and privacy information.
* Credit card transaction receipts and reports can only contain the last four digits of the card number. This information must be kept in a secured area, or on a secured system, until the data can be purged or destroyed.
* Credit card deposit slips must be submitted within 5 calendar days of receipt, or at any time the amount collected exceeds $100.00.
* A copy of the credit card settlement should be included with the departmental deposit slip.
* Refunds or returns on credit card transactions should be credited back to the credit card. The reduction should be included on a departmental receipt as a reduction of a deposit or as a negative transaction.
* A limited number of individuals should be approved and designated to be responsible for, and have access to, credit card transaction data.

**Departmental Deposits**

* Verify the amounts collected before preparing the departmental deposit form.
  + Count currency and coin. Double counting is recommended for accuracy.
  + Ensure that checks are:
    - Legible.
    - Numerals agree with the written amount.
    - Signed.
    - Totaled correctly. Create two tape totals or spreadsheet columns to ensure accuracy and include with deposit. 2 copies of the deposit slip should be sent to Student Billing Office. (Unless using a 2 part carbonless deposit slip)
  + Verify that credit card transactions match the settled batch total.
    - Include refunds in the batch total.
  + Determine whether a cash overage or shortage exists. Overage and shortages **must** be a separate line item on the departmental deposit form. (Cash Overage or Shortage Procedures are detailed separately.)
* Use the departmental deposit slips available online from the Student Billing website, or purchase the 2 part carbonless forms from Fast Copy. One form can be used for multiple transactions.
* Departmental **deposit slips** must include:
  + Description or type of sale (i.e., reason for revenue collection)
  + 3-digit fund code
  + 1-digit program code
  + 6-digit org/department code
  + Project number if required
  + 4-digit account code
  + Sub-class code if used
  + Reference number if needed. This field can be used for receipt numbers.
  + Overage or shortage amounts if applicable.
  + Amount per line
  + Total all amount lines
  + Under “Deposited in the form of” List individual total(s) of currency,

coin, check, bank, e-check, individual credit cards.

* + Name of the depositing department
  + Beginning and ending receipt numbers – including all voided receipts.
  + Signature of person writing up deposit slip & W#. Must be legible.
  + Date deposit processed.
* Verify that the total of the transaction lines equals the total of the “Deposited in the form of” section.
* Place the funds and the two copies of the departmental deposit form in a locked box or a locking money bag.
* Deposits must be delivered to the Student Billing Office within 5 calendar days of receipt to meet Wisconsin State Statute 20.906(1).
* Departmental deposit slips for credit card or cash deposits delivered directly to the bank can be sent to the Student Billing Office by email. The departmental deposit slip must be sent the **same day** that the bank deposit is made or the credit card batch is settled.
* Review the deposit for accuracy in WISDM, but allow three business days before viewing the transaction:
  + Verify that the amount recorded in WISDM reconciles with the amount on the deposit slip.
    - Maintain a file of deposit slips for a period no less than seven years to meet State requirements.

**Deposit Frequency**

* All revenue and receipts must be counted, reconciled, and **submitted** to the Student Billing Office within 5 calendar days of receipt to meet Wisconsin State Statute 20.906(1) cash handling requirements.

The University requires deposits:

* + Daily if cash deposits are over $100.00.
  + At least every 5 calendar days if receipts total less than $100.00.
* Credit card transactions need to be submitted on the same schedule that is used for batching or settling the transactions. For example, if credit card batches are settled every day at 1pm, a deposit form has to be submitted to the Student Billing Office every day for the amount of the batch settlement total.
* Cash deposits delivered directly to the bank require a departmental deposit submitted to the Student Billing Office on the same day that the bank deposit is made.