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| Title            | <b>Cash Handling</b>                                  |
| Policy No.       | B.1.12  |
| Approval Body    | President and Chief Executive Officer                 |
| Policy Sponsor   | Executive Director, Finance & Chief Financial Officer |
| Last Full Review | February 13, 2020                                     |
| Last Revised     | August 3, 2021  |

**GENERAL**

1. Financial Services provides detailed guidelines for departments to create standard operating procedures for cash handling.
2. Financial Services will conduct a final review and will approve all cash handling standard operating procedures.
3. Employees will report all suspicious transactions to the Executive Director, Finance & Chief Financial Officer.

**RESPONSIBILITIES OF INDIVIDUAL DEPARTMENTS**

4. Departments handling cash must secure, deposit, and process all payments as laid out in these procedures.
5. Departments are responsible for training designated employees in cash handling policies and procedures.
6. Before undertaking any new cash handling operation or activity, approval for the activity must be received from the Executive Director, Finance & Chief Financial Officer.
7. Departments must have authorization from the Executive Director, Finance & Chief Financial Officer to carry a coin/bill float.
8. Financial Services authorizes the types of cash that departments are allowed to handle. A summary of this authority is provided in Appendix A.

**SECURITY CONTROLS - CASH DRAWERS, SAFES & LOCK BOXES**

9. The cash drawer amount (cash float) requires daily verification.
10. Access to cash drawers, safes, and lock boxes is limited to the employee responsible for collecting the cash and/or the direct supervisor or delegate, and must be locked at all times when unattended. Keys and codes must be kept in a secure area and not left unattended.
11. Safe combinations must be changed annually, or when an employee who previously had the combination leaves the section.

12. POS Terminals, 'paid' and 'received' stamps must be safeguarded at all times, and treated with the same duty of care as cash.

### **SEGREGATION OF DUTIES**

13. There must be a segregation of duties between the employee receiving cash and the employee responsible for maintaining the accounting records. The following responsibilities should be distributed among employees:
  - a. Opening mail
  - b. Endorsing checks
  - c. Preparing deposits
  - d. Billing and collection
  - e. Reconciling of bank statements

### **PROCESSING CASH**

14. Collection of monies must be processed through approved automated systems.
15. Outgoing wire transfers incur extraordinary bank fees and must be used only in special circumstances. Financial Services will allocate such fees to the requesting department if normal deposit procedures could not have been used.
16. Unidentified direct deposits and incoming wire transfers must be credited to the College's general revenue account.

### **CASH DEPOSITS**

17. College funds must be deposited into an authorized VCC bank account.
18. The Students Accounts office drop safe must be used for all bank deposits, except for the Bookstore.
19. Departments with daily sales greater than \$100 must deposit and process all payments on a daily basis. For departments with daily sales of less than \$100, all payments must be deposited and processed as soon as the amount for the deposit exceeds \$100, or at least once a week.
20. All cash for deposit must be counted by the responsible employee and verified by the direct supervisor or delegate.
21. Care in transporting funds to the Student Accounts office must always be a high priority. Currency deposits may be hand-carried by department representative, or in special circumstances Security may be scheduled to help transport large deposits. The transport schedule must be coordinated between the department and Student Accounts.
22. Deposits containing currency must never be sent by campus mail.

### **CASH LOSS**

23. Cash overages and shortages must be brought to the attention of the department manager and recorded on the Daily Cash/Sales report with a clear explanation.

24. If a cash shortage is identified by Financial Services or the bank, Financial Services will investigate, notify the department, and make the appropriate journal entry to record the shortage.
25. Cash loss of any kind must be reported directly to the Executive Director, Finance & Chief Financial Officer.
26. All non-sufficient funds (NSF) cheques are subject to a fee of \$50 CDN.

**RELATED POLICY**

Refer to B.1.12 Cash Handling Policy.

## Appendix A

The following departments are responsible for cash handling as indicated:

|                                      | Currency<br>CAN | Currency<br>US | Debit<br>Cards | Credit<br>Cards | Gift<br>Cards | Bank<br>Wires | Cheques | Bank<br>Drafts | Money<br>Orders |
|--------------------------------------|-----------------|----------------|----------------|-----------------|---------------|---------------|---------|----------------|-----------------|
| Assessments                          |                 |                | ✓              | ✓               |               |               |         |                |                 |
| Auto Tech*                           | ✓               |                | ✓              | ✓               |               |               |         |                |                 |
| Bookstore*                           | ✓               |                | ✓              | ✓               | ✓             |               |         |                |                 |
| Continuing<br>Studies                | ✓               |                | ✓              | ✓               | ✓             |               |         |                |                 |
| Dental<br>Hygiene*                   | ✓               |                | ✓              | ✓               |               |               |         |                |                 |
| Financial<br>Services                | ✓               | ✓              |                |                 |               | ✓             | ✓       | ✓              | ✓               |
| Ancillary*                           | ✓               | ✓              | ✓              | ✓               | ✓             |               |         |                |                 |
| Library*                             | ✓               |                | ✓              | ✓               | ✓             |               |         |                |                 |
| Salon &<br>Spa*                      | ✓               |                | ✓              | ✓               | ✓             |               |         |                |                 |
| School of<br>Instructor<br>Education |                 |                | ✓              | ✓               |               |               |         |                |                 |
| Student<br>Accounts                  | ✓               |                | ✓              | ✓               | ✓             |               | ✓       | ✓              | ✓               |

\* Service Areas