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INTRODUCTION

The University receives cash and cash equivalents from a variety of sources. All employees, volunteers, and students who receive these monies on behalf of the University have a shared responsibility to ensure the funds are received, held, processed and deposited in a secure manner.

PURPOSE

The purpose of this policy is

- To outline the responsibilities of individuals who handle cash and equivalents.
- To ensure cash and equivalents are handled in a secure manner.
- To ensure cash and equivalents are deposited on a timely basis.
- To identify the consequences of not adhering to the policy.

Other cash and cash equivalents handling procedures are available which supplement this policy.

SCOPE

This policy applies to all Brock University Faculties/Departments and includes all cash and cash equivalents (e.g. currency, money orders, bank drafts, cheques, debit and credit card payments) received on behalf of the University and its related foundations and organizations, or held in trust by the University for members of the Brock community.

This policy is intended to complement, not detract from any other agreements or policies in place at the University. Where this policy conflicts with collective or other existing agreements, the agreements will take precedence over this policy.

POLICY

Responsibilities

1. The Finance Department must:
 - Develop, review and interpret cash handling policies and procedures to ensure clear communication.
 - Provide guidance in developing procedures for cash handling where requested by Unit Heads.
 - Deposit funds, or assist other departments to make deposits, into the bank on a timely basis.
 - Process deposits received in the general ledger accounts in a timely basis.
 - Perform monthly bank account reconciliations on a timely basis for all bank accounts.
2. The Unit Heads where cash and cash equivalents are handled must:
 - Ensure that individuals who handle cash and cash equivalents are aware of, understand and adhere to all applicable policies and procedures.
 - Implement adequate procedures to ensure policy requirements are met.

3. The individuals who handle cash and cash equivalents on behalf of the University must:
 - Provide an appropriate receipt, where required (e.g. donation, cash register slip).
 - Secure and store it in a secure manner until deposited.
 - Deposit it directly with Finance or to a Brock University bank account in a timely manner.
 - Verify that it is correctly processed to the department records.

General

4. All cash and cash equivalents collected on behalf of the University must be
 - supported by Departmental Deposit Form and/or other documentation that details the source for financial analysis (e.g. budgets, forecasts) and record keeping.
 - safely collected and stored in a secure environment (e.g. 2 people to collect/deliver cash, sealed security bag, locked cash box, locked desk drawer, safe) until deposited to minimize the risk of loss/theft. Cash must not be sent by mail or inter-office mail.
 - deposited to a University bank account as designated by Finance to clarify ownership and availability. *Note: Only bank signing officers designated by the Board of Trustees have the authority to establish bank accounts in the name of the University.*
 - deposited on timely basis to ensure cash on hand is minimized, interest earned is maximized and public perception of the University's fiscal responsibility is maintained.
 - recorded in the appropriate University general ledger account to facilitate record keeping, monitoring and planning.
5. All cash must be deposited at the gross amount and not be used to pay for cash expenses or for other purposes (e.g. to replenish petty cash or to cash personal cheques).
6. A receipt (preferably pre-numbered) issued to the payer must support cash received. The copy of any supporting documentation not forwarded to Finance that would support the deposit information should be maintained in the department for a period of seven years, in accordance with Canada Revenue Agency (CRA) requirements for audit purposes. A record or log of all receipts issued (e.g. operating receipts (OR), tuition received by mail (FM), tuition paid at front counter (FR)) must be maintained and periodically inspected for continuity by an individual independent of the cashier.
7. Cash is an accepted method of payment for most goods and services and the only method of payment in some circumstances (e.g. vending machines, parking meters). Where volumes of cash and the associated risks are high, alternative methods of payment are encouraged (e.g. wire transfer, direct debit, credit cards, cheques, money orders).
8. Wire transfers, direct debit and credit card accounts are to be arranged through Finance to ensure that funds are processed to the correct general ledger accounts.
9. There is a commission charge (percentage or fixed fee) applied to each transaction processed by the University for both direct debit and credit card payments. Credit card refunds are to be processed by refunding the original credit card holder, for security purposes and whenever possible to receive credit for the commission charge on the original transaction.
10. Debit and credit card information is personal and confidential and must be treated accordingly. Departments must establish procedures to obtain, secure, store, restrict access to and destroy this information consistent with CRA requirements and the Freedom of Information and Privacy Protection Act. Procedures for manual credit card processing must also be established to ensure appropriate authorized use and as a back up in the event of power interruption.
11. Cheques and money orders received on behalf of the University are to be made payable to Brock University. For additional security, all cheques received are to be endorsed "For Deposit Only to the Credit of Brock University" upon receipt.
12. Personal cheques returned from the bank for non-sufficient funds (NSF) will result in a charge (in addition to amount reversed) to the originating department. Departments are to establish procedures that require money orders and certified cheques where the likelihood of stop payments on personal cheques is high or there is a

history of NSF amounts for the individual payer. [*Post dated cheques are discouraged unless they are part of a payment arrangement made with Finance to clear an old outstanding debt.*]

13. All departments that collect funds for any purpose must establish procedures for recording revenue and/or recovering costs. Funds collected are to be reconciled to revenue earned/costs recovered (e.g. units sold, cash register tapes) and all discrepancies are to be investigated. Unless otherwise arranged with Finance, Finance is responsible for issuing and controlling all invoices issued on behalf of the University.
14. For effective internal control, whenever possible, departmental procedures must ensure segregation of duties that require that individuals should not have responsibility for more than one of the three components of a transaction: initiation, processing and reconciliation. For example, one person collects the funds, another prepares the deposit and a third reconciles the deposit to the accounts. If segregation of duties is not possible, compensating controls need to be reviewed with the Executive Director of Finance/Controller or the Internal Auditor.

Violations & Appeals

15. If a person suspects or becomes aware of a violation of this policy, the person shall report the violation in accordance with the Disclosure of Financial Impropriety policy.
16. Anyone alleged to have misappropriated funds may appeal the decision of any internally imposed sanctions according to the mechanisms provided (e.g. Student Appeal Procedures in Calendar, complaint and grievance articles in collective agreements).

RELATED POLICIES

Petty Cash
Disclosure of Financial Impropriety
Freedom of Information and Privacy Protection

Refer to the Cash Handling Procedures.