Policy

Department of Finance

Effective Date: August 13, 2010
Previous Date: May 1, 2002

Re: Cash

Policy

The Finance Department shall maintain an effective system of cash management. The system shall appropriately address the collection, custodianship, and disbursement of University funds. University funds shall be safeguarded. Cash management shall include the anticipation of cash needs, appropriate responses to cash needs, and where possible, the appropriate investment of funds.

The Finance Department shall maintain appropriate banking relationships. Systems and procedures relating to cash management, including but not limited to the Department of Health and Human Services Payment Management System, shall be in compliance with legal and regulatory requirements.
Re: Bank Accounts

Standard

The Chief Financial Officer (CFO) is authorized to establish and close bank accounts, or similar asset and investment accounts, on behalf of the University. Bank accounts will be established only for appropriate University activities.

Background

Finance is responsible for banking matters. The President and the CFO are authorized to execute agreements relating to bank accounts, banking services, and other asset, loan or investment matters. The daily operational matters may be delegated to other appropriate personnel in Finance.

Procedure

1. Finance determines the most appropriate banking account structure for the handling of University business.
2. The CFO approves the bank accounts.
3. Cash Management processes signature cards, agreements, and appropriate and necessary documentation.
4. Cash Management prepares reports as necessary.
5. Cash reports are prepared and forwarded to Board of Trustees periodically.

Responsibilities

1. Cash Management is responsible for developing and maintaining banking relationships.
2. The CFO approves bank and other similar accounts.
3. Finance maintains appropriate and necessary banking documentation.

References

Office of the President
Board Office
Legal

06-01-01
Re: Authorized Signatures

Standard

The President, the Chief Financial Officer (CFO), and designees, are authorized to transact financial matters on behalf of the University.

Background

In order to facilitate the conduct of business, the University authorizes the President and CFO to sign for and enter into agreements and activities that support the University.

Procedure

1. Cash Management maintains appropriate records and documents relating to signature agreements.

Responsibilities

1. Finance is responsible for oversight of records and documents.
2. The CFO may delegate certain authorities, where appropriate and necessary.
3. In situations of delegation, the CFO is responsible for oversight and control.

References

Office of the President
Legal
Board Office
Re: Cash Receipts

Standard

Finance shall maintain a system that appropriately manages the receiving of cash and other funds. Cash shall be controlled, recorded, accounted, deposited, and reported in a timely manner.

Background

Cash receipts must be protected. Access to checks should be limited. Cash receipts should be recorded in the appropriate period. Cash receipts should be accounted for properly. Cash is received by a number of individuals and departments. All cash receipts must be forwarded to Finance immediately.

Procedure

1. Cash receipts are recorded or photocopied by the individual or department receiving the funds for their records.
2. All cash receipts are forwarded to Cash Management immediately. Information shall accompany the cash receipts that will identify the source, purpose, account, description, or other relevant information. The receiving department shall complete a Cash Receipts Form.
3. Cash receipts shall be endorsed immediately by Finance.
4. Actual cash requires a processor and a witness for verification.
5. Cash receipts are recorded and photocopied by the designated personnel.
6. Deposits are prepared by Cash Management.
7. Cash receipts will be deposited within five work days of receipt by Cash Management. Cash Management will deposit receipts as frequently as appropriate, based on actual receipts.
8. Funds deposited are to be posted to the General Ledger daily within five work days of the deposit.
9. Deposits are to be posted to the correct accounts.
10. Finance will report cash receipts to Advancement as requested.
Responsibilities

1. All persons and departments receiving cash and other receipts on behalf of the University are required to record the receipts for their files and forward the receipts immediately to Finance.
2. Cash Management is responsible for the accurate recording and timely depositing of cash receipts.
3. Cash Management is responsible for maintaining records of all receipts.
4. Finance is responsible for determining when deposits are to be made more frequently than the maximum five work day rule.
5. Cash Management is responsible for reporting of cash receipts.

References

Administration
University Advancement
Finance
Standard

Finance: Cash   Effective Date: August 13, 2010
Previous Date: May 1, 2002

Re: Cash Draws

Standard

Finance shall maintain appropriate systems and controls for the draw down of funds.

Background

The University utilizes the cash draw down system. The Payment Management System provides for almost immediate access to funds for qualified sponsored programs. There are a number of regulations set forth by the Office of Management and Budget governing the payment system.

Procedure

1. All cash draw downs will comply with program requirements.
2. All cash draw downs will be supported by appropriate documentation and approvals, as determined by regulation and Finance.
3. The CFO reviews responsibilities for Controller, Assistant Controller, and other Senior Staff.
4. The Assistant Controller will prepare the request and forward the request to the Controller. The Controller will approve the request before funds are drawn.
5. The Chief Financial Officer (CFO) will review the cash draw downs periodically as necessary.
6. Draw down activity is reconciled at least quarterly, or more often as necessary.
7. Reports are prepared as required.

Responsibilities

1. Cash Management administers the draw down.
2. The designated Senior Staff approves the draw down of funds.
3. The Controller reviews the process and activity. The Controller is responsible for program compliance and approves the draw downs.

References

Office of Management and Budget
Code of Federal Regulations
Department of Health and Human Services

06-04-01
Re: Petty Cash

Standard

Finance shall maintain a program of monitoring and control for petty cash. Petty cash shall only be used for official University business and when the normal accounts payable systems for expense and reimbursement are not effective.

Background

In order to facilitate the conduct of business, Finance has established petty cash accounts for certain departments and purposes.

Procedure

1. Departments may request petty cash funds. All requests must be approved by a senior administrator.
2. Finance will review and approve or deny the request.
3. Petty cash procedures are reviewed with the authorized personnel.
4. Petty cash is reconciled monthly, or as appropriate based on the specific circumstances.
5. All petty cash is reconciled and reimbursed at the end of the appropriate period, such as grant year, fiscal year, or other.
6. Original receipts are required for reimbursement.
7. All requests must be approved by an authorized individual, other than the requestor.

Responsibilities

1. Designated person(s) are responsible for administration of petty cash.
2. Finance is responsible for approval and oversight of petty cash.
3. The unit or department is responsible for the integrity of the funds.
4. The unit or department is responsible for any shortage or shrinkage.

References

Administration