

I. POLICY

Salt Lake Community College departments must receive authorization and employees responsible for handling cash receipts shall be properly trained before accepting cash, checks or payment cards. The college has established controls and procedures to ensure money is properly receipted, accounted for, safeguarded, and deposited on a timely basis. Further, the college requires strong internal cash receipting controls to ensure that all funds received are properly receipted, accounted for, safeguarded, and deposited on a timely basis.

II. REFERENCES

- A. Utah Code, Title 51, Chapter 4, "Deposit of Funds"

III. DEFINITIONS

- A. **Cash:** currency such as coins, checks, payment card transactions, money orders and traveler's checks.
- B. **Cash Change Fund:** a fund of money consisting of small currency bills and coins used to make change for larger currency bills tendered by a customer. The dollar value of a change fund always remains intact. This may also be referred to as a "beginning cash drawer fund."
- C. **Cash Receipting Center:** a college department or office that is authorized to accept or take in cash receipts.
- D. **Cash Receipts:** all payment forms, including cash, checks and payment cards.
- E. **Cashier:** an individual whose job duties include the receiving, handling, and processing of cash receipts.
- F. **Deposit Transmittal Form:** a form approved by the Bursar's Office for each cash receipting center that is used to record all the revenue transactions into the college's accounting system. This form documents the cash balancing and deposit preparation steps outlined in this policy, shows the cash and check amounts that are to be deposited, and shows the payment card transactions that are electronically credited to the college's bank account.

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The originator of this policy is the Controller's Office. Questions regarding this policy may be directed to the originator by calling 801-957-4048.

- G. **Payment Card:** a bank issued debit or credit card (e.g., Visa, MasterCard, American Express, Discover) and the college OneCard including contactless payment apps, such as Apple Pay.

IV. PROCEDURES

- A. Responsibility and Internal Controls
 - 1. All employees involved with cash receipting must follow the procedures outlined in this policy and any associated department rules.
 - 2. Departments must assign cash receipting roles and clearly define all cash receipting role responsibilities and procedures.
 - 3. Budget center managers, direct supervisors and cashiers are responsible for compliance with these procedures if their department accepts cash receipts.
- B. Authorizing and Establishing a Cash Receipting Center
 - 1. Departments must obtain the Controller's Office pre-authorization before collecting any cash receipts.
 - 2. Departments that wish to be a cash receipting center must submit a written request to the Controller's Office prior to accepting money. The request must include:
 - a. reason(s) why collecting cash receipts is needed;
 - b. a list of individuals or positions that will be involved with the cash receipting process;
 - c. whether the department requests a cash change fund, and if so, the requested dollar amount; and
 - d. whether the department needs or expects to accept credit and debit cards.
 - 3. For payment card receipt guidelines, please see the Payment Card Acceptance Policy. Only the Controller's Office is authorized to establish new credit card merchant accounts. Departments must be willing to accept costs associated with accepting payment cards.
 - 4. After the Controller's Office has received and approved the request, the Bursar's Office will assist the department in establishing proper segregation of duties and procedures to help ensure money is accounted for, safeguarded, and deposited on a timely basis.

5. All employees authorized for cash receipting must receive annual cash handling training administered by the Bursar's Office.
6. Departments approved for cash receipting must use credit card devices approved and provided by the Bursar's Office and cash registers provided by the OneCard office.

C. Operating Procedures for College Cash Receipting Centers

1. Departments must record every cash receipt transaction through a cash register system or use of pre-numbered manual receipts. In each case, the department must produce a receipt and present it to the customer at the conclusion of the transaction. Approved pre-numbered receipt booklets are available at the Bursar's Office.
2. Employees must validate all "void, refund, cleared, or no-sale" transactions. A second employee, such as another cashier or supervisor, whenever possible, should approve the transaction at the time it occurs.
3. When employees issue pre-numbered manual receipts, they must always secure the unused inventory of receipts. Copies of the used receipts, including those which are voided, and the unused receipts must be always accounted for and are subject to audit by the Cashier's Office.
4. Departments must always maintain separation of employee duties within the cash receipting operation, as established with assistance from the Controller's Office or Bursar's Office.
 - a. As part of the deposit preparation process, departments must reconcile all funds received to the cash register summary totals, such as the transaction summary, or to the pre-numbered receipts daily.
 - b. Cash, checks, and payment cards must be accounted for and reconciled separately.
 - c. All void, refund, cleared, or no sale transactions should be highlighted and accounted for with each deposit.
 - d. For ease in completing and documenting this reconciling process, a deposit transmittal or recap form should be utilized for each deposit (see also F. "Cash Receipt Balancing" and H. "Preparation of Deposits").
 - e. The Bursar's Office is responsible for approving the deposit transmittal form that may be unique for each department.

5. For each deposit, a cashier must reconcile the bank or cashier deposit amount to the original cash register transaction summary or other receipt summaries to help ensure that all funds that should have been received are actually deposited. This reconciliation must be performed by another employee in the same job function when physically available.
 - a. Any void, refund, cleared, or no sale transactions noted in the deposit backup should be reviewed for reasonableness.
 - b. The person performing this reconciliation must sign on the deposit backup to indicate this step has been completed.
6. All checks, cash, and payment card receipts must be physically protected during the day by using a cash register or locking drawer; and if kept overnight, in a safe or other secure place until the money is deposited.
7. Cash should only be kept in cash registers during hours of operation.
8. Cash registers or other cash drawers should be locked when not attended, even if the cashier only leaves the station for a brief period.
9. Money is not to be counted in public view. A secure area for counting and preparing the deposit must be provided and restricted to authorized personnel.
10. Checks should be made payable to "Salt Lake Community College" or "SLCC" and must be endorsed promptly with a restrictive endorsement stamp payable to Salt Lake Community College. The endorsement stamps must be ordered through the Bursar's Office.
11. Checks or payment card transactions are not to be written or entered for more than the amount of purchase for the customer to get cash back.
12. All cash receipts should be deposited at the Cashier's Office window within 24 hours of receipt, but no longer than every three banking days as required by state law.
 - a. A college cashier window receipt shall be considered the same as a bank deposit receipt for the purpose of the independent reconciliation of the amount deposited back to the original supporting receipt documentation.
 - b. Under no circumstances may departments, employees, or any other entity make purchases directly from cash receipts.

13. When an employee who has a key or safe combination to where money is held terminates employment, the key must be collected, and the safe combination changed.
14. Any employee designated to be a cashier should receive training provided by the Cashier's Office before working independently as a cashier and receive on-going training on an annual basis.
15. The college must request and complete a background check prior to hiring a person for any full-time cashier position whether they may perform cashiering duties on an occasional or regular basis.

D. In-Person Cash Receipting Procedures

1. A receipt must be created and presented to the customer for each payment received at any cash receipting center.
 - a. At a minimum, manual pre-numbered receipts must include the date, mode of payment (cash, check, or payment card), and the identification of the department and the person issuing the receipt.
 - b. A cash register receipt should also have similar information except for the cashier's name.
2. Only one cashier is allowed access to a cash register or cash drawer during a single shift.
3. The cash drawer should be closed out at the end of every shift so that only one person is responsible for the transactions and related cash receipts.
4. All checks, cash and payment card receipts must be physically protected during the day by using a cash register or locking drawer and if kept overnight, in a safe or other secure place until the money is deposited.
 - a. Safes or other secure places should not be left unlocked during operating hours. Related keys should also be kept in a secure location out of public view.
5. All checks received must have additional identification written on the check such as the S number or driver's license number if not a student.
 - a. All checks received should be made payable to "Salt Lake Community College" or "SLCC" and must be endorsed promptly with a restrictive endorsement stamp payable to "Salt Lake Community College."

- b. Checks or debit card transactions are not to be written or entered for more than the amount of purchase for the customer to get cash back.

E. Cash Receipts Received by Mail

1. Departments must open the mail, endorse all checks immediately with a restrictive endorsement stamp, and enter checks on a check log to establish receipt and fiscal tracking accountability/responsibility. The opening of checks must be performed by two employees in the same job function when physically available.
 - a. The log should subsequently show the disposition of the checks, whether delivered to the Controller's Office or deposited at the Bursar's Office.
2. Departments must identify and officially receive cash receipts received in the mail as quickly as possible and deposit promptly according to these procedures.
3. Departments must immediately forward unidentified and foreign checks to the Controller's Office for research and deposit.

F. Cash Receipt Balancing

1. At the end of each day or cashier shift, the cashier must close the batch or session and balance the money collected to the cash register or manual receipts.
 - a. This is done by physically counting and comparing the total of the cash, checks and payment card transactions on hand (net of the change fund amount) to the cash register summary or transaction summary information, or to the pre-numbered receipts used during the session.
 - b. Any dollar difference must be accounted for separately as an "overage" or "shortage" on the deposit transmittal or recap and must be investigated and resolved to the extent possible.
2. All voided, refunded, cleared, or no-sale transactions should be approved by another person. Otherwise, these transactions in addition to overages and shortages should be accounted for on the deposit transmittal to be reviewed by a supervisor for validity, reasonableness, and appropriateness.

G. International Checks and Foreign Currency

1. Departments must not accept foreign currency. All international cash receipts must be coordinated with the Controller's Office.
2. Generally, all international funds should be received in the form of a wire transfer.
3. The college accepts checks drawn on Canadian Banks denominated in Canadian Dollars (CAD) or United States Dollars (USD). The college does not accept any other foreign checks.
4. Any bank fees associated with the acceptance of foreign currency will be passed through to the student or department.
5. If a student presents a check, the receiving department must issue the student a manual receipt indicating the check was received and the dollar value (CAD or USD) of the check.
 - a. The student's account will not be credited until the bank has provided an estimated exchange rate.
 - b. Canadian checks received via mail must be sent directly to the Controller's Office for deposit.
 - i. Canadian checks cannot be processed in the daily deposit and must be provided to the Controller's Office for deposit at the local bank branch.
 - ii. The bank will credit the college's account using an estimate based on the current exchange rate. The Bursar's office will provisionally credit the students account this same amount. The final credit amount will be adjusted when the bank has collected the funds. This can take 8 to 12 weeks.

H. Preparation of Deposits

1. Cash receipts collected must be properly accounted for and entered in the college's accounting system. Departments must deliver money to the Cashier's Office.
2. College cash deposits are only made to the bank through the Bursar's Office by means of lockbox services, remote deposit, and armored car pick up by the following positions:
 - a. the treasurer;
 - b. the controller, or

c. the vice president of Finance and Administration.

3. Deposits made at a Cashier's Office Window

- a. The department's deposit transmittal form takes the place of a bank deposit slip when money is deposited at a cashier's window.
- b. Each department must work with the Bursar's Office in designing a unique deposit transmittal report to meet the requirements of both the department and the Bursar's Office.
- c. Departments must record cash, check, and payment card transactions on the transmittal report in the appropriate spaces.
- d. Once a deposit is final, the completed deposit transmittal report, cash, checks and copy of the payment card batch summary information must be put in a sealable or locked deposit bag to prevent tampering.
- e. When transporting deposit bags to the Cashier's Office window, employees must exercise care to make sure that the bags are inconspicuous during transit. When possible, two employees must transport the deposit together or a Parking and Security Services escort should be requested.
- f. A deposit transmittal report must be completed for every deposit taken to the Cashier's Office window to document the deposit amount and to record all the revenue transactions into the college's accounting system.
 - i. The transmittal report must show the cash and checks amount that was deposited and separately show the payment card transactions that were electronically credited to the college's bank account.
 - ii. A copy of the payment card batch summary must be attached to the transmittal.
 - iii. The transmittal must have a line for each type of revenue received that contains a description of the type of transaction, the dollar amount, and the appropriate index and account numbers.
 - iv. The official cashier's receipt must be filed with a copy of the transmittal and cash receipts backup for subsequent audit purposes.

I. Reconciliation of Cash Collected and Deposited

1. For each cash receipting center, an employee must compare the total receipts to the deposit amount to ensure that all funds that should have been received are deposited into a college bank account or at the cashier's window.
2. This reconciliation must be performed by another employee in the same job function when physically available. This person's duties include:
 - a. reviewing the cash register transactions summaries or manual pre-numbered receipts and comparing the total sales amounts that should have been collected to the deposit amount recorded on the copy of the deposit transmittal report;
 - b. comparing the transmittal deposit total to the actual bank deposit receipt or the cashier's receipt; and
 - c. signing off on the transmittal copy or otherwise documenting that the above tasks were accomplished without exception. Any significant and/or consistent differences must be immediately reported to the Controller's Office.

J. Procedures When Using Pre-Numbered Manual Receipts

1. In situations, such as special events, where cash registers are not available or practical, a pre-numbered receipt system must be used to document each sales transaction.
2. Pre-numbered paper receipts may be obtained from the Bursar's Office which will maintain a log that records the number(s) of the receipts issued, the date issued, and the name of the person receiving the receipts.
3. The receiving department is responsible and accountable to the Bursar's Office for the disposition of all the receipts (used and not used receipts).
4. The department must take steps to safeguard and protect the blank receipts from theft.
5. As receipts are issued to customers for payment received, a receipt copy must be retained for end-of-day balancing, deposit preparation and subsequent independent audit purposes.

K. Special Event Cash Receipting

1. Generally, departments must work with the Bursar's Office to use portable payment card terminals and establish cash receipting procedures for special events.
2. There may be certain temporary special events where the use of cash registers or pre-numbered receipts is not practical. For such an event, the organizing department must work with the Bursar's Office to establish appropriate cash receipting methods that incorporate the principles covered in these procedures.

L. Change Fund Procedures

1. A change fund (sometimes referred to as beginning cash drawer funds) usually consists of small currency bills and coins used to make change for larger currency bills tendered by a customer.
2. The dollar amount of granted change funds will be determined jointly by the department and Bursar's Office.
 - a. The exact amount of the change fund must always remain in place. It cannot be used to "cover" any cash shortages or overages. Therefore, at the end of each day or cashier session, the exact amount of the change fund must be counted and set aside before other cash receipts are counted and balanced for deposit purposes.
 - b. Departments may exchange large currency bills for smaller bills and coins at any Cashier's Office window or bank.
 - c. Change funds are subject to unannounced audits by representatives of the Bursar's Office.
 - d. When a change fund custodian is replaced and responsibility is given to another person, both persons should count the fund together to ensure the full fund amount is present before the new person accepts responsibility for the change fund. The Bursar's Office must be notified of all new fund custodians.

M. Petty Cash Procedures

1. Departments are not permitted to establish a petty cash fund unless specifically granted and issued by the Bursar's Office.
2. Departments granted a petty cash fund must agree to follow specific instructions and procedures given when the fund is received and are subject to unannounced audits by representatives of Bursar's Office.

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3. In general, rather than using petty cash, departments are expected to use one of the other small dollar purchase tools the college has made available.