POLICY: CASH HANDLING AND INTERNAL CONTROLS
AUTHOR: Cashier's Office, General Ledger
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PURPOSE:

The purpose of this policy is to make University of Wisconsin Platteville’s departments and student organizations that handle cash aware of and show a commitment to strong internal control for cash receipts. Supervisors in University Departments and Advisors of student organizations are responsible for establishing and maintaining the proper environment of internal controls and review and ensuring this policy is part of employee training. Student organizations that deposit receipts into a state account need to adhere to the policy. Other student organizations are covered under section University Bank/Department Accounts but can use the remaining policy as a guide for best practice in cash handling.

BACKGROUND:

Internal controls are necessary to prevent mishandling of funds and to safeguard against loss/theft. Strong internal controls also protect employees from inappropriate charges of mishandling funds by defining responsibilities.

Financial Services is responsible for maintaining and updating this document as well as providing training to those involved in this process.

PROCEDURE:

A. Before handling cash, all Departments should:

1. First, have the approval of the Cashier's Office. If necessary, departments can request a temporary change box from the Cashier's Office in writing. Ongoing change funds can be requested through Auxiliary Accounting for Auxiliaries and Accounts Payable for non-Auxiliaries.

2. Obtain a blank receipt book unless a cash register is used.

3. Keep cash in locked cash box unless a cash tray or other secured device is available.

4. Have the ability to secure funds in a safe or locking file cabinet when not in use, which is located in a locked office.
5. Have a procedure in place for changing combination/keys of secured devices when there is an employee change.

6. Have at least one locking money bag for transporting money.

7. Designate one person to be responsible for the funds.

8. If the cash in a deposit/change fund totals $2,000.00 or more the University Police must transport the deposit in a locked bag to the Cashier's Office or take the change fund to the appropriate location. If less than $2,000.00, two people should transport money to the Cashier's Office or appropriate location. Departments are responsible for purchasing their own locking money bag and key. A copy of that key needs to be given to the Cashiers Office.

9. Have department stamp to stamp checks "For Deposit Only" with the department name on the stamp.

**IMPORTANT: Checks and cash MUST NOT go through inter-office/campus mail!**

B. Cash Handling

1. All transactions must be receipted. This is for your protection as well as the customer. Make sure when making change that you keep the money visible to customer until transaction is complete or verified.

   a. Receipts should be completed immediately when the transaction is made. Receipt numbers should be recorded on each check in the upper right portion above the signature.

      i. All receipts should be pre-numbered and used sequentially. The payer should be given original receipt if a receipt book is used. The carbon copy should be left in the book. If a receipt is voided the original receipt must be attached in the receipt book. Skipped receipts should be voided with the original kept in the receipt book.

      ii. Cash registers should be placed to enable the payer to see what is being rung up. The machine printed receipt should be given to the payer.

      iii. For ticket sales, the pre-numbered ticket given to the payer is the receipt and no other receipt is necessary.

      iv. Concession vending sales are an exception to the rule and receipts are not required. In this case, cash is controlled through tight inventory control. New concession operations should contract the Cashier's Office to set up proper procedures.
2. Checks transacted should be made out to UW-Platteville, may be written for amount of purchase only, and should be immediately restrictively endorsed with department's endorsement stamp as follows:

For Deposit Only

-Department Name-

University of Wisconsin - Platteville

**********This should be stamped within the upper 1z inches of the check. It is advised to always make certain the check is signed and making sure the preprinted name and signature agree. Verify the correct amount has been entered in the numerical portion and written portion are the same. Also check that the bank and address are noted on the check. ***************

Requirements:

- A DRIVERS LICENSE # MUST BE ON THE CHECK, ASK FOR ID
- INITIALS OF PERSON ACCEPTING THE CHCK, PREFERABLY UPPER RIGHT HAND CORNER
- STUDENT ID # IN THE MEMO SPACE, IF APPLICABLE
- CURRENT ADDRESS
- CURRENT TELEPHONE NUMBER
- DATE OF BIRTH FOR NON-WI RESIDENTS

3. Postdated checks should not be accepted for payment. Never agree to hold a check for anyone.

4. IOU's borrowed against starting cash or non-deposited receipts are prohibited.

5. Cash handling accounts are designed for transacting business and should not be used as a check-cashing fund for student or staff.

6. Refunds cannot be made out of receipts. If a refund is needed, a request for refund should filled out using the online form at http://www.uwplatt.edu/financial/forms.

7. Checks should be written on a US bank drawn on US currency. Foreign checks are not accepted, as well as foreign coin/currency. This includes Canadian currency.

8. Credit card numbers must be kept secure. Credit card numbers should never be emailed or stored on a computer or be kept in an unlocked area. Once processed credit card numbers must be destroyed using a cross-cut shredder and should not be kept for future use.

9. If the department receives bills $20.00 or larger, a counterfeit pen is required for
use to ensure no counterfeit monies exchanges hands. The counterfeit pen can be ran across the larger bills; yellow means the money is genuine and brown means the money is counterfeit.

C. Deposits

1. Receipts should be deposited within four days, depending on volume, daily if volume, safety or storage issues make this necessary. The following Wisconsin State Statue relates to the receipt and deposit of monies. You are reminded that this statute must be followed, under penalty of section (4).

S.S. 20.906
"(1) Frequency of Deposits. Unless otherwise provided by law, all monies collected or received by any state agency for or in behalf of the state, or which is required by law to be turned into the state treasury, shall be deposited in or transmitted to the state treasury at least once a week..."

"(4) Penalties. If any state agency neglects or refuses to make such deposits of money or to make such reports as are required by this section, the department of administration, with the approval of the governor, shall withhold all monies due with; and upon such failure to make such deposits of money, the officer or official so failing shall be liable to the state treasurer for an amount equal to the interest upon the monies so withheld from deposit at the same rate as that the period for which such deposit is withheld; and such interest shall be a charge against said officer or official and shall be deducted from his compensation."

Please note that S.S. 20.906 (1) reads ".at least once a week." Departments, which collect larger sums of money, should deposit them more frequently than once a week.

2. All departments should complete the following standardized deposit form (below are instructions for completing form) when depositing cash with the Cashier's Office. Any variance should be noted as an over/short entry. These are available online at http://www.uwplatt.edu/financial/forms.

3. Deposits should be presented to the Cashier's Office, second floor Brigham Hall between 8:00 a.m. and 4:00 p.m., Monday through Friday. The Cashier's Office records the deposits in QuickBooks and emails receipts to the departments. Deposits received prior to 10:00 a.m. will be deposited that day. Deposits received after 10:00 a.m. will be deposited the following business day. The funds are sent to the bank for deposit and the bank verifies the deposit with UW-Platteville's Financial Service Office. If there is a discrepancy, the Financial Services Office and/or the Cashier's Office work with the bank the resolve the discrepancy. The deposits can be viewed in WISDM the day after funds are deposited at the bank.

a. When receipt books are used, they should be dated and stored for audit in the department.
b. When a cash register is used, the register tape should be dated and stored for audit in the department.

c. When tickets are used, a record of ticket numbers sold for each deposit should be on file in the department. Unused tickets should be stored in a secured cabinet.

d. Concession sales/inventory reduction reports for each event should be stored for audit in the department.
Deposit Form Instructions

When filling out the deposit form make sure information given is complete and accurate.

1. Department name
2. Account manager name
3. Who is preparing the deposit
4. Date of deposit
5. Telephone number
6. Fund, Department, Program, Account code including athletic sub-class code, and project number if applicable.
7. Description of deposit (this is what will be uploaded into WISDM)
8. Amount
9. Deposit Total
10. Deliver deposit form with money to the Cashier's Office in a locked bag. (Keep a copy for your records).

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| Total Deposit | 9 |

For Cashier's Office Use Only

Init: __________
Receipt No.: __________
Date Rec'd: __________
University Bank/Department Accounts

1. University departments cannot possess an outside bank account.
   
   a. All collections must be deposited to official University accounts by departments operating them.
   
   b. Exceptions to this policy are unofficial UW-Platteville activities (activities that are in some way connected to Platteville, but are not official University functions) such as faculty and student clubs and organizations.
   
   c. These types of activities are encouraged to set up an Agency Fund Account with the General Ledger Office located on the second floor of Brigham Hall.

2. Agency Fund Accounts are kept separate from State funds, and thus, are not regulated by State guidelines and restrictions as University accounts are.

   a. There is no charge to the organizations, and each account is kept separate internally and accounted for as such.
   
   b. This means that each account essentially receives free checking and "automatic bookkeeping." No interest will be credited to any account deposited within the Agency Funds Account.
   
   c. Deposits to Agency Funds account are made directly to Financial Services Office (Second Floor Brigham Hall) and whenever a check is needed, it will be provided upon request with the check request form and proper documentation delivered to Accounts Payable (Suite 2200, Ullsvik Hall).
   
   d. To set up such an account fill out the Student Organization Account Signup Form which can be found at https://www.uwplatt.edu/financial/forms
   
   e. For more information regarding the Agency Funds Account call extension 1346
Security

Obviously, precautions should be taken when handling cash. Cash must be locked in a secure place if not deposited daily and whenever staff member leave the area where cash is kept. (Cash/Checks should be kept in a locked file or cabinet and inside a locked office if a safe is not available.)

Any department involved with handling cash is responsible for posting notice of procedures to follow to safeguard cash in the event of robbery, fire, or fire drills. For additional information please contact the Cashier's Office or the UW System Internal Auditor.

Some other considerations with regard to security are as follows:

- A minimal number of people should be allowed to have access to cash; however, adequate separation of duties must be ensured.
- More than one person should be present when cash is being handled.
- Student "staff" members should be required to report receipts and any resulting variances to the Advisor on a daily basis.
- Employees should be careful to not be lured away from the area where cash is kept.

**IMPORTANT: No cash or checks or deposits are to be sent through inter-office/campus mail!**