

Office: Business Services
Procedure Contact: Bursar
Related Policy or Policies: Cash Handling Manual

Revision History

Revision Number:	Change:	Date:
001	Update content and format	12-20-2017

A. Purpose

Departments occasionally have a business reason to maintain a cash drawer to make change or fund a student activity. Certain prohibitions are in place related to access and security. Cash drawers are state property and custodians are required to understand the policies and adhere to them to safeguard state assets.

SOU seeks to ensure that the policies and procedures related to accounts receivable and collections are documented, communicated, clearly understood, and consistently applied.

B. Definitions

- Cash drawer custodian - one or more department personnel with full responsibility for the asset
- Cash drawer non-custodial user – staff without custodial duties, but granted access to the drawer as noted in their job descriptions. Student workers with access should have a written job description.
- Cash drawer – a permanent drawer, box or bag with a specific amount of money
- Cash advance – a temporary drawer, box or bag established for an event or specific period of time
- Secure location – a locked cabinet, safe with a key or combination, facility door controls
- Imprest amount – the amount of monies to establish the drawer and required to be in the drawer at all times

C. Procedures

Department head responsibilities:

The department head is ultimately responsible for safeguarding state assets. They will ensure that all appropriate security measures are in place, that proper reporting is done and that the Bursar is notified when the custodian of the cash drawer leaves the role and a new custodian is in place. They will ensure that the new custodian is granted access to the drawer after the individual receives training and submits the Cash Drawer Statement of Custodial Understanding to the Bursar.

The department head will receive the written policies, and a Cash Drawer Statement of Understanding for Department Heads to complete and forward to the Bursar.

Set up a cash drawer:

The department head or personnel with the appropriate authority, can make a written request to the Bursar to establish a cash drawer. The request must include the business reason and justification for the drawer. The request will be reviewed and if approved, the department head and custodian will receive the written policies, training, and the Statement of Understanding for Department Heads, and the Cash Drawer Statement of Custodialship Understanding to sign and return to the Bursar. Once the statements are received by the Bursar and the Bursar Cash Count sheet completed, the cash will be released to the custodian. If the purpose of the drawer changes, the Bursar must be notified and written approved received before the new activity commences.

Increase or decrease a cash drawer:

An established cash drawer can be increased or decreased based on need. A written request is submitted to the Bursar with appropriate justification to increase the drawer or to set up an appointment to return the cash.

Custodial duties:

Only full-time university personnel can be cash drawer custodians. They are required to perform the duties outlined in this procedure and receive training before the drawer is released or access granted.

Secure the drawer in a locking file cabinet or safe when not in use, even during office hours when staff are present. The drawer cannot be in plain view or physically accessible unless it is in use. Once the drawer is no longer in use, it must be returned to its secure and locked location. This means that the drawer must be locked in a cabinet or the safe is closed and secured in a manner that requires using the combination or key to open the door. Keys cannot be left in the locking mechanism of the cabinet or safe or combination written down and unsecured.

Key and access control is maintained at all times. Keys to the cabinet or safe are secured in another locked cabinet and/or held by the custodian or custodians. In other words, the key to the cabinet or safe cannot be placed in an unlocked location that is accessible to students, visitors or other staff.

Maintain an annual updated list of personnel with access to the secure location or who use the cash drawer. The list is compiled annually and includes the names and contact information of the staff and identifies the custodians. Start and end dates are recorded by each name indicating when the individual had access to the cash drawer. Student workers are also listed if their job duties include cash handling. Start and end dates and contact information are a priority on student workers. A written justification to use student workers must be submitted to the Bursar.

Department cash drawer counts:

All cash drawer counts are performed by two full-time personnel (one must be a custodian). Counts are recorded on cash count sheets and signed by both personnel. A copy of each count is forwarded to the Bursar. The frequency of the department count is determined during a meeting with the Bursar and other appropriate department personnel. Conditions that help determine count frequency include periods of peak usage, staff turnover, high foot traffic location, or any other security or risk factors known or later made known.

Cash drawer counts are required when custodians or cash handlers transfer from the department, terminate from the university or assume other duties in which cash drawer access is revoked. If a combination safe is used as the secure location for the drawer, the combination must be changed immediately or as soon as reasonable as long as other methods to secure access to the facility location are revoked or inactivated. Keys/facility fobs must be collected before the individual leaves.

Cash drawer counts are required if any unusual or suspicious activity occurs, such as; office break in or attempted break in, drawer was left unsecured for any period of time, key or access control failure, staff or student worker didn't report to work as scheduled, etc. "Unsecured" can include but is not limited to, drawer left in the secure cabinet or safe but unlocked, in a visible location, accessible to unauthorized individuals, etc.

The custodian is expected to cooperate fully with the Bursar when counts are requested. Counts may be set up in advance or performed without prior notification.

Cash drawer shortages:

Cash shortages are reported to Department head, Campus Public Safety, the Bursar and the Internal Auditor as soon as the shortage is discovered. Cash drawer shortages may not be covered using personal funds or any other university

Department Cash Drawers

200.100cd

funds, proceeds or donations. Once the investigation is concluded, the drawer may be re-established by the Bursar or removed permanently.

Cash drawer overage:

Cash drawers used to make change may experience an overage due to an error in counting cash back to an individual. Cash overages should be deposited once it is determined that the overage cannot be identified to an individual.

Statements of understanding and attestation:

The department heads, custodians and all cash drawer users are required to read and understand the policies related to cash security and their responsibilities. Annual statements of understanding are completed and submitted to the Bursar. The Department Heads and Custodians complete the Statement of Understanding for Department Heads and the Cash Drawer Custodial Statement of Understanding. These statements include an attestation that there are no unrecorded cash funds in use.

Non-custodial users of cash drawers complete the Cash Drawer User Statement of Understanding. These users include anyone with the ability to access the drawer and add or remove cash to/from the drawer. It is the responsibility of the drawer custodian to ensure all users read the policy and sign the user statement. Student workers with access should have a written job description that includes references to duties related to the cash drawer.

Prohibited activities:

Cash drawers may not be set up or replenished by a department using personal funds or proceeds from university activities, programs, events or donations.

Proceeds from events, activities or donations may not be held and are required to be deposited within 24 hours or by the end of the next business day unless an exception has been requested and granted. See the Cash Handling Manual https://inside.sou.edu/assets/bus_serv/docs/bursar/CashHandlingManual.pdf.

Cash drawers may not be used as a petty cash fund for purchases. Purchase cards are available for this purpose. Funds may not be “loaned” to any individual.

Cash drawers may not be physically relocated, split into smaller drawers or custodial responsibility changed without notifying the Bursar.

Bursar responsibility:

The Bursar and/or staff perform and document annual dual counts, assist with training staff in proper cash handling processes, and ensure the department head, custodial and user statements are submitted according to the factors mentioned previously. The Bursar Cash Count sheet includes all personnel involved, and a detailed break down of the count on the date of the count.

The Bursar and staff will request access to all department count sheets, user lists and all funds on hand at the time of the annual count. Upon conclusion of the count, discrepancies are reported to the Department Head, Director, Business Services, Campus Public Safety and the Internal Auditor. Risks noted are reported to the Director, Business Services and other appropriate departments.

When a custodian changes, the Bursar will obtain a new statement of understanding from the new custodian and perform training with the individual before the individual is granted access to the cash drawer.

The Bursar has the right to remove a department custodian or personnel access to a cash drawer if security weaknesses are observed and not corrected. The Bursar has the right to remove the cash drawer from the department if full

Department Cash Drawers

200.100cd

cooperation is not forthcoming and if any security weakness is observed and/or not corrected. The Bursar does not need additional permission to perform these duties.

Cash drawers that have been removed, may be returned once the operational deficiencies are corrected, staff have undergone retraining and signed the appropriate statement of understanding. If a department cannot correct the deficiencies, or does not cooperate fully, the drawer will be returned to the general fund.

The annual cash drawer count, statements of understanding and other department count sheets will be saved in a Special Access folder for internal audit.

Approved decrease or increase to the drawer requires dual count by the Bursar's office with the department custodian and documented on the Bursar Cash Count sheet.

D. Appendix

- Cash Drawer Custodial Statement of Understanding
- Cash Drawer User Statement of Understanding
- Department Head Statement of Understanding
- Department Cash Count sheet
- Bursar Cash Count sheet
- Department Custodial and User List

Cash Drawer Custodial Statement of Understanding

By signing this statement, I hereby confirm that I have read and understand the policies and procedures outlined in the Cash Handling Manual and the Bursar 200.100cd Department Cash Drawers policy.

I confirm that the conditions set forth in the manual and the policy will be complied with and that any deviation from these conditions may result in staff loss of access and/or removal of the cash drawer as well as any other appropriate action based on the level of non-compliance involved.

As custodian, I assume responsibility for safeguarding the contents of the cash drawer, reporting, and ensuring the training and supervision of staff with drawer access.

I attest that there are no unrecorded cash funds and that all cash funds are properly disclosed to the Bursar and recorded in FIS and that no new fund(s) will be set up or existing fund(s) increased, decreased, relocated or split unless a written request has been made to and approved by the Bursar. The funds will not be used for purchases or loans.

I understand that I may be held personally responsible for missing funds or funds used in a manner that is outside of the scope of this policy.

Department _____

Name (printed) _____

Name (signed) _____

Job Title _____

SOU I.D. _____

Date _____

For Fiscal Year _____

Cash Drawer User Statement of Understanding

By signing this statement, I hereby confirm that I have read and understand the policies and procedures outlined in the Bursar 200.100cd Department Cash Drawers policy.

I confirm that the conditions set forth in the policy will be complied with and that any deviation from these conditions may result in loss of access to the drawer as well as any other appropriate action based on the level of non-compliance involved.

Department _____

Name (printed) _____

Name (signed) _____

Job Title _____

SOU I.D. _____

Date _____

For Fiscal Year _____

Statement of Understanding for Department Heads

By signing this statement, I hereby confirm that I have read and understand the policies and procedures outlined in the Cash Handling Manual and the Bursar 200.100cd Department Cash Drawers policy.

I confirm that the conditions set forth in the manual and the policy will be complied with and that any deviation from these conditions may result in staff loss of access and/or removal of the cash drawer as well as any other appropriate action based on the level of non-compliance involved.

As department head, I assume responsibility for safeguarding the contents of the cash drawer and reporting. I will ensure that each custodial role change is reported to the Bursar and that the training and supervision of staff with drawer access is completed before access to the drawer is granted.

I attest that there are no unrecorded cash funds and that all cash funds are properly disclosed to the Bursar and recorded in FIS and that no new fund(s) will be set up or existing fund(s) increased, decreased, relocated or split unless a written request has been made to and approved by the Bursar. The funds will not be used for purchases or loans.

I understand that I may be held personally responsible for missing funds or funds used in a manner that is outside of the scope of this policy.

Department _____

Name (printed) _____

Name (signed) _____

Job Title _____

SOU I.D. _____

Date _____

For Fiscal Year _____

Department Cash Count Sheet

Count Date _____

Custodian Name Print: _____ Signature: _____

Co-custodian/staff Print: _____ Signature: _____

*Department Head Print: _____ Signature: _____

Drawer imprest amount \$ _____ Location: _____

Bills Counted	Coin Counted	Checks- list separately	
\$100 x \$ _____	\$0.25 x \$ _____	\$ _____	
\$50 x \$ _____	\$0.10 x \$ _____	\$ _____	
\$20 x \$ _____	\$0.05 x \$ _____	\$ _____	
\$10 x \$ _____	\$0.01 x \$ _____	\$ _____	
\$5 x \$ _____		\$ _____	
\$1 x \$ _____		\$ _____	Total drawer count
=====	=====	=====	=====
		Imprest drawer amount	_____
		Undeposited revenue	_____
		Over/short	_____
		Total Drawer Count	=====

Comments: (includes date to deposit revenue on hand at time of count, date to deposit overage, shortage potentially due to, action taken, etc.)

*Department Head is attesting to the signatures and that the count was performed by two staff with responsibility for the accuracy.

Bursar Cash Count

Count Date _____

Bursar Staff Name Print: _____ Signature: _____

Dept custodian/staff Name Print: _____ Signature: _____

*Bursar Name Print: _____ Signature: _____

Drawer imprest amount \$ _____ Location: _____

Bills Counted	Coin Counted	Checks- list separately	
\$100 x \$	\$0.25 x \$	\$	
\$50 x \$	\$0.10 x \$	\$	
\$20 x \$	\$0.05 x \$	\$	
\$10 x \$	\$0.01 x \$	\$	
\$5 x \$		\$	
\$1 x \$		\$	Total drawer count
_____	_____	_____	_____
=====	=====	=====	=====

Imprest drawer amount _____
 Undeposited revenue _____
 Over/short _____
 Total Drawer Count _____

Comments: (includes risks noted, level of cooperation, recommendation for re-training, etc.)

*Bursar is attesting via interviews or emails that the count was performed by two individuals and the balance in FIS matches the imprest drawer amount on the count sheet.

Department Custodial and User List

Fiscal Year _____ Department _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
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Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____

Name _____ Address _____
Phone Number _____ SOU ID no. _____ Role _____
Start date _____ End date _____