



## Cash Handling Policy

Effective Date: January 1, 2017  
Last Revision Date: April 23, 2024

### 1. PURPOSE

The purpose of this policy is to provide departments and individuals the necessary information and tools to facilitate the establishment of strong internal controls related to cash handling. In addition to preventing financial loss, these controls promote security and accurate financial reporting. Appropriate internal controls include the segregation of duties, safekeeping of cash, prompt deposit of all cash receipts, and accurate recording of revenue into university financial systems.

Changes in university cash handling policies and procedures may be made periodically and will be communicated via Message of the Day. The most current copy of the cash handling procedure is located on the Financial Operations website under Policies, Procedures, and Forms. The information herein supersedes all previous cash handling procedures.

### 2. RESPONSIBLE CAMPUS DIRECTOR

Controller

### 3. DEFINITIONS

**Cash:** term used in this policy to include currency, checks, money orders, e-checks, and charge card transactions

**Cash handler:** an individual designated to receive, count, track, record, secure, transport or deposit cash on behalf of the university

**Cash handling unit:** any department receiving cash within their unit

**Change Fund:** small amount of currency and coin issued and held by departments for the purpose of making change for sales

**Custodian:** the employee that is personally responsible for a petty cash or change fund

**Intact:** unchanged, remaining complete

**Lapping:** concealing a shortage by delaying the recording of cash receipts

**Petty Cash Fund:** small amount of currency issued and held by departments to cover payments of day-to-day miscellaneous purchases

**Reconciliation:** an accounting process that uses two sets of records to ensure figures are accurate and in agreement; ensuring two values are balanced at the end of the period

**WISER:** redesigned version of WISDM; modern platform, UW System's financial reporting tool

## 4. POLICY

### A. Cash Handling Units

*Cash handling units* that have a small number of deposits should coordinate with their division's business or financial manager to consolidate their deposits. Alternatively, to reduce activity and risk within a cash handling unit, the department could list the Bursar's office address as the remittance address on invoices. Accordingly, the department must then provide the Bursar's office with an electronic copy of the invoice for receipting purposes.

Bursar's office address:      003 Student Services Center  
   1108 Fremont Street  
   Stevens Point, WI 54481

*Before undertaking any new cash handling operation or activity, a department must complete a Cash Handling Unit [Memorandum of Understanding](#) for review and approval. Approval for any new activity must be received from the Controller.*

### B. Online Training Program

Annual cash handling certification is available online for all *cash handlers*, supervisors, and fund custodians. The online training program consists of three separate assessments, one for each training group. Review of the Financial Operations Cash Handling Policy and Procedures prior to the assessment will be necessary in order to successfully complete the assessment at 80% or higher. Successful completion of the training program ensures the following:

- I have read and understand the Financial Operations Cash Handling Policy and Procedures.
- I accept responsibility for the university funds I handle, or oversee, and will abide by the Cash Handling Policy and procedures.
- I understand that failure to comply with the Cash Handling Policy and Procedures is cause for disciplinary and/or legal action.

Once an individual receives their certification, re-certification must be obtained annually. Special arrangements may be made with Financial Operations for one-on-one or departmental training opportunities.

### **C. Segregation of Duties**

Segregation of duties is required for an effective internal control process. Segregation of duties helps protect employees and university assets by spreading the responsibilities related to cash and check handling to more than one individual, which is intended to prevent fraud and reduce errors.

Each department should separate these duties as much as possible:

- Opening mail if you receive mail payments
- Endorsing checks and receiving cash
- Recording cash payments to receivable records
- Preparing and transporting deposits
- Reconciling deposits submitted to the Bursar's office to *WISER*
- Billing for goods and services
- Following-up on collection of returned checks

### **D. Safekeeping of Funds**

All forms of *cash* should be physically protected through the use of vaults, locked cash drawers, cash registers, locked metal boxes, etc. Safeguards must be in place not only when cash is located in department areas, but also when cash is in transit.

Cash in transit shall be safeguarded by a tamper resistant bag (i.e., locked bag) or locked cash box, and transported in an inconspicuous manner, such as a campus envelope or in a backpack or large bag. When transporting currency and/or coin, unverified and unprepared for deposit, two individuals must make the transport. When transporting final deposits to Bursar's office, follow the directions outlined in section 5.C. Transporting Deposits to the Bursar's Office.

It is the responsibility of each cash handling unit to make whatever provisions are necessary to properly safeguard the cash in their area during working and non-working hours. Access to areas where cash is stored should be limited to only those individuals who need access and have been designated to have access.

Generally, during non-working hours, any amount of cash on hand that exceeds \$1,000 should be maintained in a locked/combination (burglar resistant) vault or safe. If a safe of this type is not available in your area, funds should be temporarily stored, with prior arrangements made, with the Bursar's office. During working hours, all forms of cash should be stored in locking drawers, cash registers, or locked cash boxes. The Bursar's office has locked cash boxes available for short term use.

Combinations or keys to safes and other storage facilities should be restricted to the custodian of the cash and designated back up. Combinations or locks should be changed as necessary, whenever a person with the combination or key is separated, or minimally every three (3) years.

Credit card machines, receipts and numbers should not be left unattended; they should be kept in an inaccessible area. Credit card numbers should never be emailed, stored on a computer, or be kept in an unlocked area. Once processed, credit card numbers must be destroyed and should not be kept for future use. For additional information on credit/debit card security and safekeeping, review [UWSP Payment Card and Compliance Policy](#).

#### **E. Statutory Deposit Requirements**

The following Wisconsin State Statute relates to the receipt and deposit of revenue. Please keep in mind that this statute must be followed under penalty of section (4). S.S. 20.906 Receipts and deposits of money.

<https://docs.legis.wisconsin.gov/statutes/statutes/20/x/906>

Frequency of Deposits:

*Unless otherwise provided by law, all moneys collected or received by any state agency for or on 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.*

Penalties:

*If any state agency fails 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 moneys due such state agency until this section is complied with; and upon such failure to make such deposits of money, the officer or employee so failing shall be liable to the state treasurer for an amount equal to the interest upon the moneys so withheld from deposit at the same rate as that received by the state upon moneys held in the state investment fund, for the period for which such deposit is withheld; and such interest shall be a charge against the officer or employee and shall be deducted from that person's compensation.*

Non-compliance could lead to termination of cash handling responsibilities.

## **5. PROCEDURES**

### **A. Cash Receipts**

All cash should be recorded immediately upon receipt by use of cash register, data entry to computer system, pre-numbered receipt, or handwritten log. Each individual cash receipt should be identified and controlled by a unique, sequential transaction number, such as a cash register or receipt number.

Checks should be made payable to UWSP (department name optional) and be restrictively endorsed with a check endorsement stamp upon receipt. An endorsement stamp should include the name of the department or organization and university bank information. Please use [ShopUW+ to order the stamp](#) and contact the Bursar office with any questions.

Look over each check carefully.

- Make sure that the check is written out to UWSP (or UWSP "Your Department Name"). If the check is not made out appropriately, it cannot be deposited.
- Compare the numerical amount written on the check to the amount written in words. These amounts sometimes differ. Be sure to use the amount written in words as the check amount in your deposit, as this is the legal amount and the amount the bank will process the check for.
- Verify the check is drawn on a U.S. bank. We do not accept foreign checks, including Canadian checks in US\$ or CAN\$.

## **B. Depositing Funds**

Funds should be deposited promptly and *intact* at the Bursar's office. Cashing checks from university deposits, borrowing cash for personal use, *lapping* receipts to cover shortages in cash receipts, withholding checks for deposit in order to float checks, commingling of personal and university funds, and modification of cash records are all serious offenses and may result in immediate discharge from employment and/or prosecution.

Funds collected by departments are to be deposited at the Bursar's office located in the Student Services Center. Deposits must be accompanied by a completed [Deposit Slip](#), unless the funding information has been provided via email to [bursar@uwsp.edu](mailto:bursar@uwsp.edu). Departments may use the drop box located outside the Student Financial Services office. A receipt will be provided for transactions conducted in-person, or as requested. All transactions processed through department accounts can be reviewed using WISER.

## **C. Transporting Deposits to the Bursar's Office**

When transporting deposits, it is important to keep the safety and security of the funds, as well as the individuals in mind. Deposits must be transported to the Bursar's office in a locked bank bag or plastic disposable tamper evident deposit bag. Deposit bags can be ordered through the ShopUW+ Website, through Staples. For instructions on ordering, contact the Purchasing Department.

A best practice is to have two people take the deposit to the Bursar's office. Consider varying the time and route used to transport a deposit and concealing the bank bag so that it is more inconspicuous. ***Inter-office mail is not to be used for transporting deposits.*** Police and Security Services must accompany deposits with currency/coin totaling more than \$2,000 to the Bursar's office. They are also available upon request for any deposit you deem unsafe to transport. Please contact Police and Security Services at 715-346-4226 to make arrangements.

Deposits are to be made on a regular basis and transported securely based on the criteria below:

Cumulative Deposits	Minimum Frequency of Deposit Delivery to Bursar*	Transport via Police and Security Services Required
Up to \$499.99	Within 2 Business Days	No
\$500.00 to \$1,999.99	Next day	No
\$2,000 or more	Next day	Yes, when currency/coin exceeds \$2,000 of total deposit

\*Refer to statutory deposit requirements

#### D. Reconciliation of Deposits to WISER

To ensure segregation of duties, a designated individual who has not directly been involved with receiving and recording cash should be responsible for reconciling deposits. *Reconciliation* is completed by comparing the amount of your deposit on the department copy of the [deposit slip](#) with the amount of deposit in WISER. You should also verify the account number, description, and voucher number, if applicable. This step ensures the funds were deposited accurately and in a timely manner. If there is a discrepancy you cannot solve, contact the Bursar’s office for assistance.

A dated and signed record of the reconciliations must be maintained and is subject to review.

#### E. Petty Cash Fund

A *Petty Cash Fund* is a small amount of currency issued and held by departments to cover payments of day-to-day miscellaneous purchases. The petty cash fund is not to be used to circumvent university purchasing and payment procedures.

##### I. Establishing or Increasing a Petty Cash Fund

To open or increase a petty cash fund, a [Petty Cash or Change Fund Action Form](#), approved by the department head or business manager, must be submitted for approval to the Controller’s Office. The request should state the reason(s) the fund is required, and the amount needed for operations.

A *custodian* for the fund must be appointed and is personally responsible for the safekeeping, disbursing, and balancing the fund. The custodian must be named as the payee on the Petty Cash or Change Fund Action Form. The custodian must be certified as a current Fund Custodian or must complete the Fund Custodian Cash Handling Certification program prior to being approved for a new or increased fund.

Determine the fund amount by estimating expenditures for a one-month period. Petty cash funds may not be established in excess of \$500, unless otherwise authorized by the Controller.

Once approved by the Controller's Office and a check is issued, the check may be cashed at the US Bank DUC location. The payee must present identification to cash the check.

**II. Custodian Responsibilities**

The custodian must exercise caution in the administration and protection of the fund in their possession. Access to the fund should be limited to the custodian or designated agent. For further information regarding the safeguarding of cash, review section 4.D. Safekeeping of Funds, directly within the above policy.

**III. Procedure to Change Custodian**

If a fund custodian leaves the position, the fund should be counted and reconciled by the current custodian and then closed. The new custodian should complete a Petty Cash or Change Fund Action Form to establish a new fund in their name.

**IV. Fund Standards**

- The amount of the cash plus petty cash receipts should always equal the amount of the fund.
- No money may be loaned or borrowed from the fund.
- The fund may not be used to cash personal checks.
- The petty cash fund may not be used for purchases outside of the scope of the fund's original purpose.
- The fund can be subject to surprise count by Financial Operations and/or the Internal Audit Department during normal business hours. Department supervisors should periodically perform surprise counts on a regular basis.
- Mishandling of funds may result in dismissal and/or prosecution of involved employees and/or relinquishment of the fund by the department.

**V. Petty Cash Disbursements**

Petty cash is to be used for purchasing and/or reimbursement of small dollar, unexpected expenditures when other means of payment or purchase are not available.

Petty cash cannot be used for the following:

- Travel expenses
- Vendor invoices

- Payment for services or other tax-reportable payment
- Food for any UWSP sponsored events

**VI. Receipts or invoices should be obtained for each expenditure and retained for record retention and fund replenishment. Petty Cash Fund Replenishments**

Petty cash funds should be reconciled and replenished on a monthly basis. Disbursements from your fund may be reimbursed by preparing a Petty Cash Replenishment Form indicating the appropriate GL funding string for each expenditure. Fund variations (over or short) should be fully documented in writing and reported to the Controller's office.

**VII. To Close or Decrease a Fund**

If a petty cash fund is no longer needed or if the funds on hand are too much, it is the custodian's responsibility to close or decrease the fund.

The custodian should first reconcile and fully reimburse the fund. If closing the fund, the full amount is then returned to the Controller's Office and a copy of the Petty Cash or Change Fund Action Form is provided to the custodian as receipt of the returned fund.

If it's determined the petty cash fund is too large, use the same procedure detailed above, returning only the excess amount.

**VIII. Annual Verification of Fund by Department**

Petty Cash funds will be verified on an annual basis by the department head or designee. A Petty Cash or Change Fund Action Form will be sent by the Controller's Office to facilitate this process. The Department head or designee will verify the reconciled fund, determine if the fund is still necessary and renew the fund for the next year. Under no circumstances should the fund custodian verify their own fund(s).

**F. Change Fund**

A Change Fund is a small amount of currency and coin issued and held by departments for the purpose of making change for sales. The change fund is not to be used to make purchases.

**I. Establishing or Increasing a Change Fund**

To open or increase a change fund, a Petty Cash or Change Fund Action Form, approved by the department head or business manager, must be submitted for approval to the Controller's Office. The request should state the reason(s) the fund is required, and the amount needed for daily operations.

A custodian for the fund must be appointed and is personally responsible for the safekeeping and proper usage of the fund. The custodian must be named as the



payee on the Petty Cash or Change Fund Action Form. The custodian must be certified as a current Fund Custodian or must complete the Fund Custodian Cash Handling Certification program prior to being approved for a new or increased fund.

Change funds may not be established in excess of \$200, unless otherwise authorized by the Controller.

Once approved by the Controller's Office and a check is issued, the check may be cashed at the US Bank DUC location. The payee must present identification to cash the check.

## **II. Custodian Responsibilities**

The custodian must exercise caution in the administration and protection of the fund in their possession. Access to the fund should be limited to the custodian or designated agent. For further information regarding the safeguarding of cash, review section 4.D. Safekeeping of Funds, directly within the above policy.

## **III. Procedure to Change Custodian**

If a fund custodian leaves the position, the fund should be counted and reconciled by the current custodian and then closed. The new custodian should complete [Petty Cash or Change Fund Action Form](#) to establish a new fund in their name.

## **IV. Fund Standards**

- The change fund is to be used only for making change in cashiering operations.
- The change fund must be balanced on a daily basis.
- The change fund cannot be used for expenditures.
- The change fund may not be used for any purpose outside of the fund's original purpose.
- The fund can be subject to surprise count by Financial Operations and/or the Internal Audit Department during normal business hours. Department supervisors should periodically perform surprise counts on a regular basis.
- Mishandling of funds may result in dismissal and/or prosecution of involved employees and/or relinquishment of the fund by the department.

## **V. To Close or Decrease a Fund**

If a change fund is no longer needed or if the funds on hand are too much, it is the custodian's responsibility to close or decrease the fund.

The custodian should first reconcile the fund, then return the full amount to the Controller's Office with a [Petty Cash or Change Fund Action Form](#).

If it's determined the change fund is too large, use the same procedure detailed above, returning only the excess amount.

#### **VI. Annual Verification of Fund by Department**

Change funds will be verified on an annual basis by the department head or designee. A [Petty Cash or Change Fund Action Form](#) will be sent by the Controller's Office to facilitate this. The Department head or designee will verify the reconciled fund, determine if the fund is still necessary and renew the fund for the next year. Under no circumstance should the fund custodian verify their own fund(s).

### **6. REFERENCES and RELATED DOCUMENTS**

[Wisconsin State Statute Section \(4\) S.S. 20.906 Receipts and Deposits of Money](#)

[UWSP Credit Card Merchants](#)

[Payment Card Processing and Compliance Policy](#)

[Cash Handling Unit Memorandum of Understanding  
Memorandum of Understanding Example](#)

[Deposit Slip](#)

[Petty Cash or Change Fund Action Form](#)

[Petty Cash Replenishment Form](#)

### **7. POLICY HISTORY**

Developed by: Cash Management Team

Effective Date: 01/01/2017

Revision Date:

06/21/22 – Cash Management Team Final Review and updates to forms, links, etc.

4/23/24 – Updates to Deposit Slip links, Contact Purchasing for Deposit bag instructions

Approved: 10/31/2016

Approved by: Vice Chancellor for Business Affairs

### **8. SCHEDULED REVIEW**

May 2027