

**Gordon State College**  
Business Procedure Manual

## **Cash Handling Procedure**

### **Cash Handling for Departments**

All monies received for general operations of Gordon State College are received by the Bursar's Office and posted to the appropriate account. Monies received for restricted purposes from sources outside the College, such as a grant or award, are generally received via electronic transfer or check and credited directly to the appropriate accounts upon receipt by the Bursar's Office.

### **Recording**

Each department must have an established procedure to provide documentation of all funds received. Any method used must provide a clear audit trail. Examples are: pre-numbered GSC receipts (issued and controlled by the Bursar's Office) or cash register tapes. The recording of the receipt is when the funds are received. Checks should have the receipt number and the Student ID, if student related, written on them for ease of identifying returned checks. Receipts should have the Student ID written on them. If not student related, receipt should clearly identify what payment is for.

If a department does not have a way to record receipts through a cash register system or other means, a receipt book must be requested through the Bursar's Office at least 1 business day prior to any event. Receipt books are 3-part and numbered in chronological order. Customer should be given the white copy, yellow copy should be retained by the Department, and pink copy should remain in the receipt book for a clear audit trail. Receipt books must be returned to the Bursar's Office when not in use.

### **Sales Tax**

Sales tax must be collected for any sales and recorded on the Deposit Report Form appropriately. Sales tax is collected at 8% for each dollar sold. Collection of sales tax is not required on donations.

### **Depositing**

Each department must balance cash received to sales records daily as received. Departments should make deposits to the Bursar's Office of any cash, checks and money orders no later than 11am on the following business day except for on the last business day of each period. The Bursar's Office may request deposits to be turned in earlier on these days to allow processing for month-end or year-end. Turning deposits in timely allows the Bursar's Office time to process the

deposit and send to the bank with the daily deposit. The deposit must be accompanied by a Deposit Report Form (Bookstore and Community Education currently have their own deposit reports) that reflects the purpose of collecting the funds, the location funds should be recorded, and the detail code and amounts to be credited must be clearly identified on the deposit form. Deposit Report forms are located on the Bursar's Office webpage under the Forms section. If you do not have a detail code set up, you will need to submit a Detail Code Request Form, which can also be found under the Bursar's Office forms page, along with the deposit. We suggest a second person verify deposit amount to sales reports or other supporting documentation for accuracy.

Each Deposit Report Form must be accompanied by written documentation that adequately supports the amounts listed on the deposit form. Examples of backup documentation include cash register tapes, copies of pre-numbered cash receipts, prepared schedules of checks, individual check copies, or cash receipt list from other system. Deposits without adequate supporting backup documentation may be refused by the Bursar's Office until backup documentation can be provided.

Each deposit form should be signed and dated by the preparer and Budget Administrator must be indicated. The depositing department should carry the deposit to the Bursar's Office with a Public Safety escort. When the deposit is received by the Bursar's Office, the cashier will count, verify and initial on the deposit form the cash amount received. A copy of each deposit report should be retained by the depositing department. A cashier will process the deposit and return a receipt to be attached to the department's copy of the deposit report form.

### **Non-Routine Deposits**

Some departments receive funds to be deposited on an infrequent basis. These deposits must be received by the Bursar's office as soon as possible, but at least by 11am on the following business day. The deposit must be accompanied by a Deposit Report Form, a check log, and adequate documentation as mentioned above.

### **Cash Over/Short**

Cash Deposits over or short must be recorded to the department's Over/Short account and be accompanied by a completed Cash Deposit Over/Short Form which can be found on the Bursar's Office webpage under the Forms section. Any cash over/shorts in excess of \$50 or more than one over/short within a 12 month time frame must be reported to the Vice President of Finance and Administration within 1 business day. Any suspected loss or theft of funds must also be reported to Public Safety immediately upon discovery. Two overage or shortages within a 12 month time frame or one overage or shortage exceeding \$50 could result in disciplinary actions up to and including termination.

### **Budgets**

Depositing departments should submit a copy of their receipt to the Budget Office and then utilize PeopleSoft to view their Financial Reports to ensure that their deposits have been properly recorded.

### **Cash Controls and Safe Keeping**

It is the responsibility of each depositing department to safeguard funds and provide an unbroken audit trail that reflects where funds were initially recorded and deposited. Each department that collects funds or maintains a petty cash or change fund has the responsibility to follow cash control procedures. In addition to cash control procedures built into the cash handling procedures, the following more specific control procedures should be maintained.

- No counter checks should be accepted at any time.
- \$20 bills or larger should be checked by counterfeit pen or ran through a counterfeit detector if available. Each department is responsible for maintaining a way to identify counterfeit bills.
- Cash funds should be kept in a locked cash box or vault and access to the funds should be limited to authorized personnel. If a safe is not available overnight, deposits must be turned in to the Bursar's Office by 4pm each day to ensure safe keeping.
- Deposits must be made daily or before 11am on the following business day from receipt of funds by the office making the deposit. Departments should make arrangements for another person to make deposits when the regular deposit preparer is not available. Timely deposits help safeguard the funds and provide good cash management.
- Petty cash and change funds should be balanced at a minimum of monthly.
- Petty cash and change funds must be retained on campus and available for cash verification by the Bursar's Office or auditors at any time.
- Departments must request a Public Safety escort to the Bursar's Office to deliver each deposit. This is a security precaution for both the employee and the college.

### **Credit Cards**

Credit cards are an acceptable method of payment for goods and services provided by Gordon State College via TouchNet Information Systems, Inc or Shift4 (Bookstore only). Employees should never collect or store credit card information.

Gordon State College's vendor, Touchnet Information Systems, Inc., has been identified as the campus solution to collect credit card payment information via the web and should be utilized whenever possible. Credit card information is to be stored in the Touchnet database alone; it is not to be stored in any matter (encrypted or otherwise) in any other software application, database, server, or desktop application.