Purpose: To define and outline University policy with respect to the handling, receiving, transporting and depositing of cash. The term “cash handling” includes currency, checks, money orders, negotiable instruments, ACH (bank direct deposit), and credit/debit card transactions.

University funds are monies received from tuition, contracts and grants, revenues from University services, state appropriations and all other sources of revenue or expense reimbursements, whether restricted or unrestricted as to purpose or use. All checks must be made payable to the "University of Rhode Island" in US dollars and only in the amount of the sale or transaction.

- University of RI Foundation – any funds for the Foundation must be made payable to “University of RI Foundation” and deposited through the Foundation.

To prevent loss, theft, or misappropriation and minimize individual and institutional risk, units should avoid operations in which they accept cash and checks, because these items are portable, easy targets for theft. Therefore, where applicable and practicable, accepting credit (or debit) cards as payment is preferred. Units considering this option should contact the Controller’s Office.

Where accepting cash and checks cannot be avoided, units should establish appropriate internal controls. These controls include proper segregation of duties, securing cash and checks appropriately, and using lockboxes and armored car services. In addition to reducing the risk of loss, these measures will promote personal safety, appropriate stewardship of assets, and accurate financial reporting. Provide direction for campus departments in the collection, custody, and reporting of monies, and outline specific cash handling procedures for department use.

Responsibilities of Individual Departments

Compliance with University Policy & Procedures
Departments are responsible for complying with the policies and procedures outlined in this document and for developing detailed written departmental operating procedures. The Controller’s Office is available for consultation and review of departmental procedures. Departments are responsible for training designated employees in fund handling policies and procedures. Historical practices shall not constitute justification for deviation from the policies and procedures set forth in this document.
Segregation of Duties  Cash receipt activity should be reconciled to the Department PeopleSoft reports monthly. The reconciliation should be reviewed by someone independent of the cash handling or recording functions.

The following responsibilities should be distributed among personnel so one person is not responsible for all aspects:
- Opening mail
- Endorsing checks
- Preparing deposits
- Reconciling to budget statements
- Billing and collection duties distributed among personnel

Safekeeping of Funds
All forms of Cash (currency, checks, money orders, negotiable instruments and charge card transactions) should be physically protected through the use of vaults\safe, locked cash drawers, cash registers, locked metal boxes, etc.

It is the responsibility of each department to make whatever provisions are necessary to properly safeguard the cash receipts in their area. Generally, any amount of cash on hand that exceeds $1,000 must be maintained in a vault or heavy safe (one which cannot be easily moved by two persons using a hand cart). Amounts under $1,000 should be maintained in a file safe or reinforced file cabinet with a padlock and bar that secures all drawers. Cash should not be retained in desk drawers or standard file cabinets since they are easily accessed with minimal forcing or readily available keys.

Transfer of Accountability
Transfer of accountability must be recorded, (name, date, time, and amount) if the deposit is not being transported by the person preparing the deposit. All transfer logs should be retained for the current fiscal year plus 2 fiscal years. All documents should be maintained in such a manner as to provide suitable audit trail for all transactions.

Procedures
1. All monies collected by departments for sales of goods and services should be recorded in one of the following:
   - Cash register
   - Multiple-copy receipt book (pre-numbered receipts)
   - Manual cash receipts journal (only acceptable in limited locations with very low volumes of transactions or locations that receive checks only)
2. All checks should be made payable to the "University of Rhode Island" and should be accepted only in the amount of the sale. Checks may not be cashed or written for more than the sale.
3. All monies collected for a special event (i.e. theater donations) will be counted and verified by two people. Both individuals should sign the document of what was collected.

4. Post-dated or two party checks are not accepted.

5. All checks need to be payable through a US Bank in US Dollars.

6. Checks and money orders are restrictively endorsed as soon as they are received. Endorsement stamps are obtained only from the Controller’s Office.

7. Departments deposit all collections with Enrollment Service - Cashier Office within three business days, and more frequently as activity warrants. Departments are not to send cash or checks through campus mail. Money should be deposited promptly and intact to the Enrollment Service-Cashier Office. Any corrections made to the deposit slip should be initialed by the department.

8. An University Deposit Slip (Exhibit A) needs to be completed for all collections submitted. Type of “tender” (cash, check, credit card) needs to be listed

9. Returned check policy: Any checks returned by the University of Rhode Island depository bank are identified daily by the Cash Management Office at URI. Checks may be returned for a number of reasons, including insufficient funds, incorrect account numbers, closed accounts, improperly written check, postdated or stale dated checks, a stop payment on a check, etc. The University will charge a returned check fee of $20 for each returned check.

The Cash Management Office will identify whether the check is departmental or related to a student. Checks related to students are handled by Enrollment Services. The Enrollment Services Office will send a letter to the check issuer indicating that the check has been returned and that restitution of the returned check amount and fees must be made as soon as possible in order to prevent any further collection activity. The amount of the returned check will be reversed from the student’s account in which it was credited and a returned check fee will be charged. A “hold” will be placed on the student’s record and any balance unpaid on the student account that resulted from the returned check is subject to late fees. If two or more checks are returned, the University will be unable to accept future personal checks for that student account.

Departmental returned checks will be returned to the originating department and the originating department will make an adjusting entry to the payee’s account. It is the originating departments’ responsibility to notify the check issuer and pursue collection of the funds and fees with the applicable customer. When restitution is obtained, the department should prepare a deposit slip to submit the collection to Enrollment Services.
If restitution is not made within 90 days, the Accounts Receivable department of the Controller’s Office should be consulted.

10. Departments should retain supporting documentation and/or a copy of the form for use in reconciling to PeopleSoft. Adequate documentation as to the nature of the receipt should also be retained by the department.

11. Use of change funds and undeposited receipts for miscellaneous petty cash purchases, loans, advances, or check cashing for any individual (including employees and students) is strictly prohibited.

12. Cash is not withheld from a deposit for the purpose of adding to or creating a change fund. Change funds may be obtained, increased or decreased only by filing out a Petty Cash / Imprest / Change Fund Application / Modification Form. [http://web.uri.edu/controller/forms/](http://web.uri.edu/controller/forms/)

13. If the amount of a deposit is more or less than the total of the receipts written or collections rung on the cash register/system, a cash over/short must be recognized.

14. All funds will be kept in a lockable metal box, out of public view, and should be available for inspection by an authorized representative of the Controller’s Office, Internal Audit or Office of the Postsecondary Commissioner’s Auditor. When not in use, funds will be stored in a locked safe or other suitable place. If stored in a desk, the desk should be lockable and the key to the desk should be secured in another location in the office.

15. Access to individual department safes is restricted to a small, essential number of employees. Whenever there is a turnover in personnel who had access to the safe, the combination to the safe must be changed within five (5) days.

16. Duties of opening mail, processing cash received by mail, collecting cash, preparing receipts and account reconciliation are separated among individuals (i.e., one individual is not responsible for two or more of these activities) to the extent allowed by staffing resources.

17. Departmental cash handlers should take at least five (5) consecutive business days of vacation annually, during which time another individual performs his/her duties. Any significant change in dollar volume during these times should be reported to Controller’s Office immediately.

18. **NO** bank accounts can be opened by anyone outside of the Controller’s Office.

19. Contact the Controller’s Office whenever any special or unusual office situations or questions arise in the collection, receipting or remitting of cash.
Exhibit A  University Deposit Slip

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Received Number

Enrollment Services Initials

Date Processed

Description PRINT CLEARLY

Preparer Signature

Phone #

Print Department Name & Mailing Address

Distribution Orig.-Acct Copy-Dept