



Cash Handling Policy
Administrative Policy F1.3
November, 2009

Policy Statement

Vermont College of Fine Arts (VCFA) maintains financial policies that comply with state and federal law, and that incorporate recognized best practices for prudent oversight of the College's financial assets. Strong internal controls for cash collection are necessary to prevent mishandling of funds and are designed to safeguard and protect employees from inappropriate charges of mishandling funds by defining their responsibilities in the cash handling process.

For our purposes "Cash" is defined as coin, currency, checks, and credit card transactions. Because these are the most liquid of assets they must immediately and at all times be protected against loss.

Required procedures include the following:

- Accounting for cash as is it received.
- Adequate separation of duties which includes cash collecting, depositing and reconciling.
- Proper pre-numbered receipts given for any cash received in the VCFA Store.
- Approval of any voided cash receipts by Controller.
- Deposit of cash promptly at the College Controller's office.
- Reconciliation of validated deposit forms to supporting documentation and to the account statement.
- Proper safeguarding of cash.

The CFO's Office will conduct periodic reviews of cash handling procedures.

Cash Receipts

VCFA Store

All cash received in the Store must be recorded on a pre-numbered receipt form with a duplicate record being retained by the store. All numbered receipts must be accounted for, including voided receipts. Approved pre-numbered receipts are available in the Controller's office. All merchandise sold should be recorded in a log at the time of purchase.

The funds received must be reconciled to the cash register or to the pre-numbered receipts at the end of the day. Cash must be reconciled separately from checks/credit cards by comparing actual cash received to the cash total from the cash register tape or to the sum of the cash sales from the manual receipts.

All checks, cash and credit card receipts must be protected by using a cash register, safe or other secure place until they are deposited. Checks must be made payable to Vermont College of Fine Arts (VCFA) and must be endorsed promptly with a restrictive endorsement stamp payable to Vermont College of Fine Arts. Checks or credit card transactions will not be cashed or written for more than the amount of purchase.

All cash collections should be brought to the Controller's Office by the end of each day. Deposits made after the Controller's office hours can be dropped in the secure Drop Box outside the Controller's office door. Those deposits will be deposited the following business day.

All funds must be deposited intact, and not intermingled or substituted with other funds. The Controller will issue a receipt of deposit to be used for reconciliation of the supporting documentation to the deposit and to the monthly statements of account.

Cash received in person

Aside from bookstore transactions, cash is received in person or via mail for tuition, conference services, lease arrangements and fundraising purposes. For conference services and lease payments, a receipt must be issued for each payment received. Receipts should be issued on manual pre-numbered receipts and must include the date, mode of payment (cash, check or credit card), and the identification of the department and the person issuing the receipt. For tuition payments received by mail, a receipt should be mailed to the issuer of the payment as well. For fundraising, an acknowledgement letter, which serves a receipt, will be issued indicating the amount received and the date it was received.

All checks must be endorsed immediately with a restrictive endorsement stamp payable to Vermont College of Fine Arts. Any form of cash payment for any purpose should be brought to the Controller's office daily, along with a deposit request form indicating the account into which the monies should be deposited. If the recipient is unsure which account the payment should be applied they should indicate this on the deposit request form and the Controller will research.

Balancing of Cash Receipts

All funds collected must be balanced daily, by mode of payment, by comparing the total of the cash, checks and credit cards to the cash register totals, to the receipts totals and to the totals of the money received by mail.

Over/short amounts must be separately recorded, and investigated and resolved to the extent possible. Please work with the Controller on these items.

Procedure for Depositing Cash

- 1) Cash and checks received are to be given to the Controller's office within 24 hours of receipt. Checks for minimal amounts (\$50 or less) can be grouped and held until Thursday at which point they must be submitted to the Controller for deposit.
- 2) Complete a deposit form for each related group of checks, cash or credit card forms. Use a second form for a different group of checks or credit card forms. Deposit forms are available in the online Policy Library. www.vermontcollege.edu/about/administration
- 3) Be as descriptive as possible so we can record the item into the correct general ledger account or enter the GL account if you know it. Indicate the purpose or event that resulted in the check or cash item (i.e Auction proceeds from Spring Writer's retreat).
- 4) Do not leave cash or checks in a folder or envelope on a desk in the Controller's office. Make sure you physically give the deposit to the Controller or drop in Drop Box if after hours.
- 5) If you have a large number of checks (10 or more) please make a copy of each check (up to four per page) to include with the original checks and deposit form.
- 6) Please sign your name (and print if not legible) on the "Received From" line. The Controller will sign on the "Received By" line and give you a copy of the Deposit form for your records.
- 7) All coin deposits need to be rolled and counted before they are given to the Controller.
- 8) Student ID# (not social security number) and program need to be included on the deposit form for enrollment deposit checks.
- 9) Checks received as a result of Conference Services billings require the invoice number to be put on the deposit form.
- 10) Invoice statements from Conference Services are to be emailed to the Controller's Office as soon as they are created. Do not wait for the check to arrive before forwarding the invoice statement to them.