

<b>Policies of the University of North Texas</b>	Chapter 10
<b>10.006 Cash Handling Controls</b>	<b>Fiscal Management</b>

**Policy Statement.** UNT is committed to establishing strong internal controls for handling cash to ensure these assets are protected, processed in an accurate and timely manner, and properly reported.

All cash transactions involving UNT are subject to all applicable state laws and university policies. Departments, employees, and sponsored student organizations or their members may not maintain bank accounts on behalf of the UNT. Only bank accounts operated by UNT System Treasury are authorized.

**Application of Policy.** Total University.

**Definitions.**

1. **Authorized Employee.** “Authorized employee” means an employee who has attended Cash Control Training, and whose supervisor has completed a Cash Authorization Form authorizing the employee to collect cash.
2. **Authorized Student.** “Authorized student” means a student who is a member of a sponsored student organization who has attended Cash Control Training, and whose Sponsored Student Organization Advisor has completed a Cash Authorization Form authorizing the student to collect cash.
3. **Cash.** “Cash” means currency/coin, checks, bank drafts, Automatic Clearing House (ACH) transactions, Electronic Funds Transfers (EFTs), money orders, traveler’s checks, cashier’s checks, or credit/debit card transactions.
4. **Change Fund.** “Change fund” means a fund used for the sole purpose of carrying on a sales operation, or change-making operation involving receipts (sales, fees, deposits, etc.), and should always contain currency/coin or currency/coin-in-transit.
5. **Custodian.** “Custodian” means the employee specifically authorized to manage monies in the petty cash fund or in the change fund as set forth in UNT Policy 10.017.
6. **Department Identification Holder (Dept. ID Holder).** “Dept. ID holder” means the employee with management responsibility for financial transactions for the Department for which he/she is the Holder of Record, as set forth in UNT Policy 10.005.
7. **Gift.** “Gift” means a voluntary, philanthropic transfer of assets received from an individual, a corporation, a foundation, or other organization. A gift may be made through a number of vehicles, including but not limited to cash, stock, estates,

trusts, in-kind, and real estate. The terms gift and grant are often used synonymously by donors and, as such, for the purposes of the application of these or other university policies, the terms shall be interpreted in order to give effect to the donor's intent.

8. Petty Cash Fund. "Petty cash fund" means a fund issued to a principal investigator to pay participants for completing surveys or participating in research for UNT as set forth in UNT Policy 10.017.
9. Principal Investigator. "Principal investigator" means a single individual who, in the event of an award from an external funding agency, shall have the full and final responsibility for the conduct of the project as proposed and as set forth in the contract or grant as set forth in UNT Policy 13.002.
10. Registered Student Organization. "Registered student organization" means a student organization that has completed the requirements of registration with the Student Activities Center as set forth in UNT Policy 07.019.
11. Secured Location. "Secured location" means a safe secured to a fixture.
12. Sponsored Student Organization. "Sponsored student organization" means a student organization whose purpose and activities are in accord with the mission of an academic or administrative unit, for whose actions and activities the sponsoring unit provides endorsement, support, supervision, and assumption of responsibility, and that has been officially approved by the Vice President of Student Affairs through an annual application as prescribed by the Dean of Students, as set forth in UNT Policy 07.019.
13. Sponsored Student Organization Advisor (SSOA). "SSOA" means the university employee charged with oversight of a sponsored student organization as set forth in UNT Policy 07.019.

### **Procedures and Responsibilities.**

#### **I. Cash Transactions.**

- A. Only authorized employees or authorized students may accept cash for university business and must attend cash control training annually. The SSOA for any sponsored student organization that accepts cash or the Dept. ID holder for any department that accepts cash must attend cash control training annually regardless of whether or not that SSOA or Dept. ID holder accepts cash. Each authorized employee or authorized student who receives cash for university business or has custody of university cash has a fiduciary responsibility to handle all cash transactions appropriately. Employees designated as custodians of petty cash funds or change funds must comply with UNT Policies 05.006, 05.024, and 10.017. Internal Audit and the Vice President of Finance and Administration or designee are responsible for performing spot audits to ensure that only authorized employees and authorized students are accepting cash.

Responsible Party: Authorized Student, Authorized Employee, SSOA, Dept. ID Holder, Internal Audit, Vice President of Finance and Administration or Designee

- B. Cash is to be properly secured, accounted for, and documented in accordance with this policy and internal procedures developed by the department or sponsored student organization. Under no circumstances may disbursements be made from cash receipts, petty cash funds, change funds, or any other university cash for any purpose other than those specified within UNT Policy 10.017.

Responsible Party: Authorized Student, Authorized Employee

- C. All checks received must be made payable to the University of North Texas and must be endorsed upon receipt using a stamp approved by Student Accounting and University Cashiering Services (SAUCS).

Responsible Party: Authorized Student, Authorized Employee

- D. Cash not related to gifts must be deposited with SAUCS. Cash for gifts must be remitted to the Division of Advancement for processing. Cash must be deposited within 3 business days of receipt. Departments whose non-gift deposits total less than fifty dollars (\$50.00) on a regular basis may, with written approval from SAUCS, deposit their cash within 10 business days of receipt. The SAUCS' manager or designee is responsible for monitoring departmental deposits to ensure that cash is being deposited within 3 business days or 10 business days, as appropriate. The Director of Gift Processing with the Division of Advancement is responsible for monitoring deposits to ensure that cash is being deposited within 3 business days.

Responsible Party: Authorized Student, Authorized Employee, SSOA, Dept. ID Holder, SAUCS Manager or Designee, Director of Gift Processing or Designee

- E. Any registered student organization that elects to maintain a university bank account will be considered a sponsored student organization for purposes of this policy and, as such, will be subject to the policies set forth herein.

Responsible Party: Registered Student Organization Members

- F. If the Dept. ID holder is the custodian, then the Dept. ID holder's supervisor is responsible for completing the duties assigned to the Dept. ID holder within this policy.

Responsible Party: Dept. ID Holder's Supervisor

## II. Separation of Duties.

- A. The fund custodian, Dept. ID holder, or SSOA is responsible for establishing controls to ensure that duties such as collecting cash, maintaining documentation, preparing deposits, and reconciling records are performed by different individuals. When staffing levels do not permit the separation of duties, the custodian, Dept. ID holder, or SSOA is responsible for establishing compensating controls such as thorough

management supervision and review. Each department or sponsored student organization that handles cash must develop internal written procedures for separation of duties using the Cash Handling Procedures Template. Internal Segregation of Duties procedures must be approved by the SAUCS manager or designee.

Responsible Party: SSOA, Fund Custodian, Dept. ID Holder, SAUCS Manager or Designee

III. Written Procedures.

- A. Each department or sponsored student organization that manages cash must develop internal written procedures that comply with this policy and must document those procedures within the Cash Handling Procedures Template. The fund custodian, Dept. ID holder, or SSOA is responsible for reviewing his/her cash handling procedures annually and is responsible for ensuring that those procedures are followed. Internal Audit and the Vice President of Finance and Administration or designee are responsible for performing periodic reviews to ensure that each department and sponsored student organization has procedures in place.

Responsible Party: SSOA, Dept. ID Holder, Internal Audit, Vice President of Finance and Administration or Designee

IV. Overages and Shortages.

- A. It is the responsibility of the fund custodian, Dept. ID holder, or SSOA to ensure that cash on hand and cash deposited equal actual receipts at all times. A Reconciliation Audit Form can be used for this purpose. All cash overages and shortages are to be reported to the fund custodian, Dept. ID holder, or SSOA at daily closing. Overages and shortages of \$25 in a single incident or in aggregate during a one-month period while under the control of a single employee or authorized student must be investigated by the fund custodian, Dept. ID holder, or by the SSOA. A written record of all reported discrepancies regarding overages or shortages must be maintained by the department or sponsored student organization. Internal Audit and the Vice President of Finance and Administration or designee are responsible for performing periodic reviews of cash overages and shortages.

Responsible Party: Authorized Student, Authorized Employee, SSOA, Fund Custodian, Dept. ID Holder, Internal Audit, Vice President of Finance and Administration or Designee

- B. Situations involving possible fraud, theft, or a serious breach of fiduciary duty are to be reported on the date of the occurrence to UNT Police and to Internal Audit, and investigated in accordance with UNT Policy 04.007.

Responsible Party: SSOA, Fund Custodian, Dept. ID holder

V. Compliance and Training.

- A. The Vice President of Finance and Administration or designee is responsible for performing periodic management reviews to ensure compliance with the requirements outlined in this policy.
- B. Authorized employees and departments that fail to comply with this policy may have their cash handling privileges revoked, and authorized employees may be subject to disciplinary action up to and including termination in accordance with UNT Policy 05.033.
- C. Authorized students and sponsored student organizations that fail to comply with this policy may have their cash handling privileges revoked. Further, in accordance with UNT Policy 07.012, authorized students may be subject to disciplinary action and sponsored student organizations may have their registration declined.
- D. All documents created to comply with this policy must be maintained in accordance with UNT Policy 04.008, Records Management and Retention.
- E. The division of Finance and Administration will provide annual training in order to satisfy authorization requirements. Training registration will be available within the university's [employee portal](#).

Responsible Party: Authorized Student, SSOA, Authorized Employee, Dept. ID Holder, Vice President of Finance and Administration or Designee

**References and Cross-references.**

[T.E.C Chapter 51, Section 51.008](#)

UNT Policy 04.007, Fraud Policy

UNT Policy 04.008, Records Management and Retention

UNT Policy 05.003, Staff Employee Discipline and Involuntary Termination

UNT Policy 05.006, Criminal History Background Checks for Security Sensitive Positions

UNT Policy 05.024, Employment: Staff Personnel (see special criteria for security sensitive positions)

UNT Policy 07.012, Code of Student Conduct

UNT Policy 07.019, Student Organization Policy

UNT Policy 10.005, Accountholder Responsibility

UNT Policy 10.017, Petty Cash, Demand Deposits, Working Funds

UNT Policy 10.024, Sales and Receipt of Funds

UNT Policy 10.035, Accepting Credit Cards

UNT Policy 13.002, Award Management of Sponsored Projects

**Forms and Tools.**

[Cash Authorization Form](#)

Cash Controls Procedures

[Cash Handling Procedures Template](#)

[Reconciliation Audit Form](#)

[Petty Cash Guidelines](#)

[UNT Cash Control and Departmental Deposit Handbook](#)

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