

### **Banking and Cash Management Policy**

It is the policy of the College of New Jersey to establish and maintain effective procedures for short-and-long-term cash management activities and to designate appropriate staff members to execute such procedures. The College's Treasurer or designee assumes the responsibilities for all of the College's cash management activities. The Treasurer is responsible for staffing, operating, and monitoring all activities associated with investments as well as cash management responsibilities.

All banking relations and related services, including the establishment and maintenance of external bank accounts, establishment of credit card merchant numbers, and completion of the financial information on the ACH payment enrollment forms are the responsibility of the Office of Finance and Business Services.

### **Cash Handling Procedures**

The handling of College monies requires that certain basic procedures be precisely followed at all times. Procedures for the handling of cash receipts are designed to provide accountability for funds received in accordance with accepted standards of internal accounting controls. Cash handling procedures are designed to assist and protect both the individuals handling the funds and the College. The Office of Finance and Business Services is responsible for ensuring that funds are properly receipted and recorded and should be contacted if questions arise regarding these procedures. All Petty Cash Funds must be authorized through the Office of the Treasurer. The procedures outlined in this guide must be followed where applicable. Any deviation from these procedures must be approved in writing by the Office of Finance and Business Services.

### **General Procedures**

- Individual accountability must exist at all times for cash funds. College employees who are assigned responsibility for funds (i.e. the fund custodian) must follow these policies and procedures. Failure to follow this policy and procedure may result in the employee's personal liability to the College for any shortages.
- Each cash fund should be maintained separately. Co-mingling of College and Non-College funds is prohibited.
- The number of persons in a department or unit required to physically handle funds should be kept to the very minimum.
- Persons who receive funds on behalf of the College should not be assigned the responsibility for determining amounts due or owed to the College.

- Departments should ensure that all deposits are reflected on their departmental Web Reports. This should be done by an employee who is independent from determining amounts due the College, and who receives funds on behalf of the College.
- Only one person should have access, custody, and responsibility for monies at any point in time. Custodianship should be documented in writing and all fund custodians should be provided a copy of this policy and procedure.
- The campus community uses the web-based Deposit Transmittal Form to make deposits at the Office of Student Accounts. This web form, in conjunction with the funds received serves as the official record of the deposit at the Office of Student Accounts, and populates various areas of the financial system. The form may be accessed on Finance and Business Services website at: <http://www.tcnj.edu/%7Edadt/transmittal/>
- All exchanges of monies, receipts, or other transactions should be documented in writing. This also includes the transfer of funds from one custodian to another. Fund custodians should verify all monies to assure themselves of the accuracy of amounts involved in any transaction.
- Petty Cash Fund amounts, sums of money set aside for the purpose of making immediate payments of relatively small amounts, should be kept at a minimum level but sufficient for necessary departmental operations.
- The Office of Student Accounts maintains a safe, or other security device where cash funds and receipts are physically safeguarded.
- Departments should include payment instructions on all billing invoices. These instructions should include the following information:
  - Checks are payable to The College of New Jersey
  - The College's payment remittance address
  - Specific information to include with payment (invoice number, invoice stub, etc.)
- Personal transactions with cash funds are prohibited. Monies may never be borrowed nor loaned from cash funds, nor may personal checks be cashed from receipts.

### **Check Receipt Log**

- In any operation where funds are received by mail, the person who opens the mail logs in all funds (cash, check, currency) in a separate receipt log.
- Information on this log should include, at least, the following:
  - Name of Payer Amount
  - Check number (if applicable)
  - Check Date
  - Purpose of Payment

- Additional departmental procedures should verify that all the funds logged have been received. The Office of Finance and Business Services may be contacted for assistance in establishing proper procedures.
- Any time currency is received by mail, the supervisor should be notified and a special notation entered on the mail log. The cash payment should be receipted immediately.

## **Receiving Funds**

### **Checks**

- All checks should be restrictively endorsed by the Office of Student Accounts when brought in for deposit. This endorsement should include the following:
  - For Deposit Only
  - The College of New Jersey
- All payers should be instructed to make checks payable to The College New Jersey, not to departments, department heads, or other parties.
- Checks made payable to The College of New Jersey and any other party (i.e. joint payable checks) may only be deposited by the Office of Student Accounts.

### **Cash**

- Cash may be accepted only when the payer can be provided with an official receipt at the time of payment.
- A receipt must be issued immediately upon the acceptance of any cash payment or deposit.
- Departments that do not have receipting facilities should direct such payers to the Office of Student Accounts.
- All packaged coin or strapped currency received as payment should be removed from the package or straps and verified.
- Cashiers will reconcile funds received and the Deposit Transmittal Forms on a daily basis. A dated and signed reconciliation is maintained on file. Daily cash counts and reconciliations should be performed by the cashier supervisor. These reconciliations should be signed and dated by the reviewer.

## **Transmittal and Deposit Guidelines**

- All departments or activities receiving monies transmit the receipts and the monies to the Office of Student Accounts. When the volume or other circumstances warrant, departments and activities may be authorized to prepare deposits for the bank if specifically approved in writing by the Office of Finance and Business Services.
- All departments authorized to receive funds on behalf of the College are required to transmit receipts to the Office of Student Accounts on a timely basis. Deposits are made at the Office of Student Accounts via the web-based Deposit Transmittal Form. The form may be accessed through Budget and Finance's website at:  
<http://www.tcnj.edu/%7Edadt/transmittal/>
- Disbursements or refunds of any type may not be paid from receipts.
- At no time may currency or coins be transmitted through the campus mail service.
- All persons responsible for the receipting of funds must reconcile monies on hand on a daily basis.
- All cash discrepancies, whether overages or shortages, should be immediately reported to, and investigated by the cashier's supervisor and department head.