Cash Controls Documentation

presented by

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07 April 2005

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Cajun Man

SNL Archives: A man from the south whose one-word replies always end in "tion"
Applicable Policies

- **HSC OP 50.07** (Cash Collections)
  - Cash Collection Custodian
  - Cash Collection Procedures

- **HSC OP 50.21** (Cash Funds)
  - Cash Fund Custodian
  - Cash Fund Control Plan (CFCP)

- **HSC OP 50.08** (Deposit Procedures)
  - Deposit Custodians
  - Comprehensive Cash Handling Procedures
All required documentation must be updated and submitted to Accounting Services at least annually, usually in May.
Cash Collections (50.07)

CASH COLLECTION PROCEDURES

• Cash Collection Custodian is responsible for developing and communicating procedures
• All cash handlers must complete cash controls training
  • “Cash” is defined as currency, coins, checks, credit card payments, wire payments, and similar
• Adequate safeguarding is required AT ALL TIMES, even during operating hours
Cash Collections (50.07)

CASH COLLECTION PROCEDURES

• Collections must be submitted to the deposit custodian timely for bank deposit
  • within 3 business days if less than $100
  • by next business day if $100 or more
• Immediate, restrictive endorsements are required for all checks received (see HSC OP 50.10)
• Applicable duties must be segregated
  • cash collections SEPARATE FROM deposit preparation SEPARATE FROM collection reconciliations
Cash Funds (50.21)

CASH FUND CONTROL PLAN (CFCP)

CFCP form available from Accounting Services website (Forms page)

- **Change Funds**: currency and coins used exclusively for making change
- **Patient Study Petty Cash Funds**: currency or bank account used to pay patients in studies
- **Reimbursable Purchases Petty Cash Funds**: bank account used to make reimbursable purchases
Cash Funds (50.21)

CASH FUND CONTROL PLAN (CFCP)

- Adequate safeguarding is required AT ALL TIMES
- All cash fund custodians are required to complete cash fund training every two years
  
  Cash fund training available from Accounting Services website (Procedures page)

- Checklist portion of CFCP must be completed
  - N/A answers are allowed
  - All NO answers must be explained
Cash Funds (50.21)

**CASH FUND CONTROL PLAN (CFCP)**

- Random, unannounced cash counts will be conducted
- Change funds should be properly allocated
  - Multiple bags within the same clinic or physical location can be combined into one change fund
  - Separate clinics or physical locations should have separate change funds (and custodians)
- Commingling with personal funds is not permitted
Cash Funds (50.21)

CASH FUND CONTROL PLAN (CFCP)

- Cash fund amount must not be excessive
- Reimbursements for petty cash funds must be requested at least monthly
  - Memo request for reimbursements
  - Original receipts must be attached
  - For patient study payments, sequentially-numbered receipts with recipient signatures are required
  - Account and Object / Sub-Object to be charged must be provided
Cash Funds (50.21)

CASH FUND CONTROL PLAN (CFCP)

• Some types of purchases are generally unallowable using Reimbursable Purchases Petty Cash Funds:
  • registration fees
  • membership dues
  • professional fees
  • subscriptions
  • books
  • gifts
  • donations
  • travel payments
  • travel advances
  • 1099 reportable payments
  • W-2 reportable payments
  • food & entertainment
Deposit Procedures (50.08)

COMPREHENSIVE CASH HANDLING PROCEDURES

• Deposit custodians have ultimate responsibility for all associated cash collection points and cash funds

• DDISs must be reconciled / matched to daily bank activity statement
  • Wire payments are often delayed
Deposit Procedures (50.08)

COMPREHENSIVE CASH HANDLING PROCEDURES

- A DDIS must be submitted to the Bursar’s Office for each depository every business day
  - If no deposit is to be recorded for a particular day, notification as such must be submitted to the Bursar’s Office in lieu of a DDIS
- Collections must be deposited to the bank promptly
  - within 3 business days if less than $100
  - by next business day if $100 or more
- TechFIM deposit recording is separate
All required documentation must be updated and submitted to Accounting Services at least annually, usually in May.