

### **Cash & Cash Equivalents Handling Procedures**

There are three “categories” of cash and cash equivalents addressed in this document: change funds, gift cards and checks. Cash and cash equivalents should be secured and handled in a timely manner at all times, with deposits made a minimum of **once a week**. Departments with significant deposits should complete deposits on a **biweekly basis**.

#### **Change Fund:**

Departments are only allowed to have change funds in their department with prior approval from the Controller’s Office. If you believe that your department requires a change fund, please contact the Controller’s Office to discuss your needs and to secure approval. Change funds are the mechanism of last resort for payments when other disbursement methods are impractical or cannot be used for other reasons. Temporary change funds may be used to make cash payments to human subjects for research projects with approval through the Human Subject payment procedure. Balances in the change fund should not exceed \$500 without prior approval from the Controller’s office.

It is important to keep change funds in a secure area such as a locked drawer or small safe. The Business Officer of the division, or their designate, is the custodian of the change fund and is therefore responsible for the safekeeping and maintenance of these funds. A log sheet must be kept for all transactions in and out of the change fund. This log should record each time the change fund is accessed, by whom and for what purpose. A temporary change fund is used for a single purpose. The funds are established when the project begins and closed within one week of the project completion. A quarterly reconciliation of all change funds is due to the Controller’s Office at the end of each quarter.

Cash deposits to close out the change fund should be returned to the Shared Services division so that the change fund can be closed immediately. In divisions where a change fund exists, the divisions Business Officer should re-examine on an annual basis whether the change fund is necessary to fulfill the divisions business needs. If the needs of the division have changed and the fund is no longer necessary, the change fund should be closed. If the change fund is not active for a full fiscal year, the funds must be deposited and the fund closed through Shared Services.

#### **Gift Cards:**

Gift cards may be used to make cash payments to human subjects for research projects. The balance of the gift cards should not exceed \$500.00. Any gift card account that requires a higher balance needs approval from the Controller’s Office or through the Human Subject payment approval process.

Similar to change funds, gift cards should be secured in a locked drawer or small safe. The Business Officer for the division, or designate, is the custodian of the gift card account and is therefore responsible for the safekeeping and maintenance of these funds. A log sheet must be maintained noting each gift card in possession of the department, typically by the gift card number. The log must record each time the gift cards are accessed, by whom with a reference to the gift cards specifically used and for what purpose. A quarterly reconciliation of the gift card account is due to the Controller’s Office at the end of each quarter.

**Checks:**

Checks received by a department must be kept in a secure location such as a locked drawer or small safe until they are deposited. From the time the check is received by the department to the time the check is delivered to the Cashier's Office for deposit, the Business Officer or designate of the department is viewed as the custodian of the check and is responsible for the safekeeping and deposit of the check. Checks received should be deposited in a timely manner and within the parameters listed previously.