

TITLE: CASH HANDLING POLICY

Date of Approval: October 24, 2019

**Mandatory Review
Date: October 24, 2024**

Approved By:

Board of Governors

President and Vice
Presidents

Senate

Effective Date: October 24, 2019

1. Purpose

The purpose of the Cash Handling Policy for The Sheridan College Institute of Technology and Advanced Learning (Sheridan) is:

- a) To provide a well-managed system for handling of cash within Sheridan.
- b) To minimize risk when handling cash.
- c) To ensure all cash is handled in a secure manner.
- d) To ensure all cash payments are receipted, deposited and recorded in a timely manner.

In general, the use of cash at Sheridan is discouraged. Cash should only be used where that are no other appropriate methods for performing financial transactions.

2. Scope

This policy applies to all Sheridan employees who are responsible for handling cash received on behalf of Sheridan.

3. Definitions

“Cash” includes cash currency, gift cards, cheques, money orders or bank drafts or any similar items. This does not include bank, wire or other fund transfers made electronically.

“Cash handling department” means any Sheridan organizational unit that handles cash.

“Employee” means a person under the employ of Sheridan either: a. On a full-time, ongoing basis either under the terms of the Academic Employees Collective Agreement, the Support Staff Collective Agreement, or the Terms and Conditions for Administrative Employees; and/or b. On a less than full-time, and/or temporary basis under the terms of an employment agreement.

“Internal Control” means the systematic measures instituted by Sheridan to safeguard its assets and deter and detect errors, fraud and theft.

“Manager” means the direct supervisor of the employee(s) that have cash handling responsibilities.

“Segregation of duties” means the process of safeguarding assets by assigning the acceptance of cash, the responsibility for recording cash receipts, and the reconciling of transactions to different staff members

4. Policy Statement

4.1. Guiding Principles

4.1.1. Strong Internal Controls

Sheridan departments that handle cash must have both an awareness of and show a commitment to strong Internal Controls for cash receipts. Managers in cash handling departments are responsible for establishing and maintaining the proper environment of internal controls.

4.1.2. Secure Handling of Cash

Cash handling departments are responsible to ensure that all cash received is handled in a secure manner and is securely delivered to the Finance department for deposit on a timely basis; or securely delivered to an authorized Sheridan bank account in accordance with appropriate internal controls as set forth in the procedures. All cash received is the property of Sheridan.

4.2. Internal Controls

4.2.1. Safeguarding Assets

- a) Cheques, cash and similar items shall be safeguarded at all times. Physical access shall be restricted to authorized personnel. Authorized personnel will be identified by Department managers and cash handling responsibilities will be defined in employee’s job descriptions.
- b) Cash received on behalf of Sheridan as well as petty cash must be stored in a secure location or locked cash box during working hours and placed in a locked vault, safe or locked cabinet for overnight safekeeping.
- c) Combinations and passwords should be given to as few people as is necessary, and should be changed periodically, at least annually or when someone leaves the department.
- d) Cash currency (bills and coins) shall never be sent by mail or inter-office mail.
- e) Cash received by departments must be securely delivered for deposit to the Finance Department, or if approved by Finance, delivered securely to a designated bank by the authorized security company.

4.2.2. Segregation of Duties

- a) Cash handling duties must be performed by different individuals so no one person has control over the entire cash handling process.
- b) Components of collecting, disbursing, recording, depositing and reconciling must be the responsibility of separate individuals, unless approval has been received from the Finance department.

4.2.3. Accountability

- a) All departments handling cash must have the approval to do so from the Associate Vice-president Finance or designate. A listing of approved departments will be maintained by Finance.
- b) Departments need to ensure cash transactions are authorized, properly accounted for, and properly documented. Proper documentation identifies the purpose of the transaction, the transaction date, the payee, the person who received the funds, the person who deposited the funds and the amount.

4.2.4. Reconciliations

- a) Cash handling departments are responsible for ensuring all transactions have been recorded correctly and on a timely basis.
- b) All cash collected on behalf of Sheridan must be processed by a department authorized by Finance, recorded in Sheridan's financial system to facilitate record keeping, monitoring and planning, and deposited at the gross amount. Cash collected may not be used to pay for cash expenses or any other purposes.
- c) All cash transactions must be supported by backup documentation as noted in Section 4.2.3.
- d) Cash received must be reconciled daily by an individual other than the one receiving the cash as per the procedures.

4.2.5. Monitoring

The department manager who supervises staff handling cash is required to continually review cash handling processes to ensure procedures are being followed, train staff and investigate unusual activity.

4.2.6. Deposit

All funds collected must be submitted to the Finance department or, if directed by Finance, deposited in the bank no later than:

- The following business day if the amount exceeds \$500, otherwise weekly.
- The following business day regardless of the amount, when the cash cannot be appropriately stored in a secure location.

4.2.7. Audit

The Finance department will perform cash counts on a regular basis to ensure cash is reconciled daily and procedures are being followed.

4.2.8. Events or Fundraising

All departments planning an event or fundraising function where cash will be accepted must inform the Finance department by use of the “Cash Event Notification” form, accessible in the Cash Handling Procedures. The Finance department will advise the department on the appropriate cash handling procedures.

4.3. Violation of policy

If a person suspects or becomes aware of a violation of this policy, the person shall report the violation. Violations of this policy can be reported to the person’s direct supervisor, the Associate Vice-President Finance, the Director of Accounting & Financial Reporting, the Director of Security, the Chief Risk Officer, the Internal Auditor and/or via the mechanisms outlined in Sheridan’s Whistle Blower policy.

4.4. Responsible Office

The Vice President, Finance and Administration and Chief Financial Officer is responsible for authorizing administrative procedures and guidelines pursuant to this policy.

5. Related Documentation

Broader Public Sector Accountability Act

[Whistle Blower Policy](#)

[Cash Handling Procedure](#)