

University of St Andrews

Unit Income and Cash Handling Policy

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I INTRODUCTION (POLICY STATEMENT)

This policy provides additional guidance on the University's Cash Handling Procedures which are outlined in the Court Standing Financial Instruction 6. It is also in compliance with the Payment Card Industry Data Security Standards (PCI DSS) and Data Protection Act 1998 and has been created in consultation with the University's Security and Insurance advisors.

The University deals with large volumes of cash and to protect both staff and the University it is important that proper security arrangements exist and that cash handling procedures are complied with. Cash transactions should only be dealt with by staff who have been authorised to undertake such responsibilities. Adherence to this procedure will make a significant contribution to reduction of risk exposure.

The policy provides guidelines on:

- Alternative payment methods to reduce the number and value of cash transactions;
- The standardisation of the processing of payment transactions, cash and subsequent reporting of financial information;
- The security of the processing of payment transactions and related data;
- The personal safety of staff who process payment transactions and handle cash;
- Points of Contact for related cash handling issues.

This policy is mandatory to all staff. Failure to comply with this procedure may result in disciplinary action. Unit Heads are responsible for ensuring that their staff have read the policy and that it is adhered to.

2 'CASH-FREE' UNITS

- 2.1 Units and Schools should investigate the possibilities of removing the need for cash handling and look at alternative methods of collecting income. The online shop is currently used to generate revenue for many items which are sold by Units e.g. field trips, course readers, sport centre membership, concert tickets, etc.
- 2.2 The University is also investigating the use of 'Smart Card' technology. For example, using the student matriculation card for product purchases across the University.

3 SECURING CASH

- 3.1 Staff handling cash should not be exposed to unnecessary risk. If you are in any doubt, please contact Finance for guidance (see 15.1/15.3).
- 3.2 **Cash Boxes**
- 3.2.1 Cash boxes are insured to hold a maximum of £250 in cash. The locked cash box must be locked in a drawer in a locked room or safe. Failure to comply with the security measures will invalidate any insurance claim.
- 3.2.2 Any income should not be kept for more than one week. If the cash total exceeds £250 at any time the money must be banked immediately.

3.3 **When to have a safe**

3.3.1 If your weekly cash transactions are likely to exceed £250 in the normal course of business then you must purchase a safe. Guidance relating to the acquisition of a safe is explained in 3.7

3.4 **Till Systems**

3.4.1 If your Unit requires a till, the following factors must be considered to ensure that the model purchased is appropriate and sufficient for your needs:

- how many separate users are required?
- is individual log-in required?
- how many departments/ itemised categories are required?
- the till should have two rolls for receipt and audit facilities.

3.4.2 Each till operator must log in/log out of their session in order for each transaction to be identifiable for reconciliation and audit purposes.

3.4.3 It is recommended that Units conduct regular float and spot checks. Throughout the course of the day (e.g. shift change), two members of staff should run a till/x report, count the cash in the till (including the float) and ensure there are no discrepancies.

3.4.4 Any member of staff using a till system must receive appropriate training.

3.4.5 All till floats should be set at a sensible level and comprised of an appropriate range of denominations.

3.5 **End of Day / Shift**

3.5.1 Cash must be counted discreetly in a secure area away from public view.

3.5.2 Two members of staff must be present when cashing up.

3.6 **Compliance with Insurance Regulations**

3.6.1 If you require a safe:

You should contact the nominated person detailed at Point 15.2 for guidance on the type, size, location, etc. and insurance limits of your safe.

3.6.2 If you have a safe:

You must advise the nominated person detailed at Point 15.2 if you have a safe in order for this information to be logged centrally for insurance purposes. The nominated person will determine if the type of safe you have is appropriate for the amount of cash you hold.

3.7 **Access to Safe**

3.7.1 The Unit Head should determine which members of staff should have access. All members of staff in the Unit should know the list of authorised personnel.

3.7.2 The safe key/s must be kept on person or in a separate location, secured and not in public view. The keys should not be marked in any way to identify the safe that they open. If keys are lost this should be reported to the Head of Unit immediately so that the arrangements can be made for the security of cash if necessary. Wherever possible no single member of staff should have sole access to a safe.

3.7.3 Only authorised personnel should know the location of the safe key/s

- 3.7.4 Only authorised personnel should know the safe combination. The safe combination should be changed at least annually and every time a member of staff who knew or had access to the combination leaves the employment of that department.

4 RECEIPTING CASH

- 4.1 **High End User:** If your anticipated cash total including float/petty cash is more than £250 per week you are classed as a **high end user**. The process below should be followed:

- 4.1.1 Enter cash into till
- 4.1.2 Issue till receipt to customer
- 4.1.3 Run end of day/shift till report
- 4.1.4 Count cash in till remembering to deduct and retain the float
- 4.1.5 Complete bank pay-in slip with takings
- 4.1.6 Seal takings in Cash Collection Service Provider bag
- 4.1.7 Store bag/s in safe until Cash Collection Service Provider pick-up
- 4.1.8 Complete Excel spreadsheets in shared drive
- 4.1.9 Record all discrepancies and check regular differences and those over £5.
- 4.1.10 Email spreadsheets to Financial Accounts (accrec@st-andrews.ac.uk)

- 4.2 **Low End User:** If your anticipated cash total including float/petty cash is less than £250 per week you are classed as a **low end user**. The process below should be followed:

- 4.2.1 Issue receipt from duplicate book
- 4.2.2 Place cash and cheques in cashbox/safe
- 4.2.3 Complete Excel spreadsheets in shared drive at end of every day
- 4.2.4 You should bank the money after 7 days or earlier if you have at least £250 in cash. The spreadsheet and receipt book must be reconciled
- 4.2.5 Complete bank pay-in slip
- 4.2.6 Seal monies in Cash Collection Service Provider bag
- 4.2.7 Record all discrepancies and check regular differences and those over £5.
- 4.2.8 Transport to the Cash Office or to 'Designated High End User' if the Cash Office is closed
- 4.2.9 Log handover of pay-in on Finance receipt sheet
- 4.2.10 Email spreadsheets to Financial Accounts – see nominated point of contact at point 15.6

4.3 Cash Discrepancies

- 4.3.1 Record all discrepancies and check regular differences and those over £5.
- 4.3.2 All discrepancies in banking are to be recorded by processing the relevant transaction to the Analysis Code that has been created for this purpose CASHDI-6196
- 4.3.3 The first time this Analysis Code is used please contact Management Accounts (manaccs@st-andrews.ac.uk) to request that your Cost Centre be linked to the analysis code

5 REFUNDS

- 5.1 **Refund of cheque payments:** When a payment has been made by cheque and requires to be refunded, an email including the details of the original transaction should be sent to Accounts Payable from an authorised signatory within the cost centre. The preferred method of refund is by BACS, therefore bank details should be provided by the customer and included in the email to Accounts Payable.

- 5.2 **Refund of cash payments:** Cash refunds under the value of £5 may be processed through a till which has an audit trail which can be subsequently checked by an authorised signatory from the cost centre. At the time of refunding the reason for the refund must be written on the vendors copy of the till receipt.

Where the original cash transaction was greater than £5, an authorised signatory must approve and document the refund. The preferred method of refund is by BACS, therefore bank details should be provided by the customer and emailed to Accounts Payable, with details of the original transaction.

- 5.3 **Refund of PDQ payment:**
PDQ refunds require to be authorised on the PDQ machine using a “Supervisor Card”. This card is to be held in a secure environment by an authorised signatory. The refund must be approved by an authorised signatory for the cost centre. The refund should then be processed through the PDQ machine back onto the source card which actioned the original transaction.
Please note; the cardholder does not need to be present but in order to process the refund you require the full card number, the card expiry date and the card verification number (CVN), this is the three digit number on the reverse of the card.
If the source card is unavailable for the refund to be processed then the customer should be contacted for alternative details for the refund to be processed by BACS. A refund must never be processed onto a card that is not the source transaction card.

6 REPORTING

The **End of Business Banking and Reconciliation spreadsheet** is the standardised reporting tool issued by Finance to enable Units to report effectively and efficiently on daily business and banking totals. The spreadsheet has been designed to reconcile and analyse the data with minimum input by the user.

See Appendix A for the full guidelines of the spreadsheet.

See Appendix B for the sample spreadsheet (a bespoke spreadsheet will be created for your Unit by Finance). Contact I5.4 for details.

7 CHEQUE PROCEDURES

- 7.1 The minimum amount for cheque payments is £5
- 7.2 When accepting a cheque payment, you must check the following:
- Date is correct (post-dated cheques cannot be accepted)
 - Payee is correct – University of St Andrews
 - Words and amount in figures agree
 - Cheque is signed
 - Cheque guarantee card should be viewed (if customer is present)
- 7.3 When a cheque is received the following information must be noted on the back of the cheque:
- Till receipt, invoice number or duplicate book number
 - There is no need to record the card number on the back of the cheque
 - Cost centre, analysis code and detail code

8 USE OF PDQ MACHINES

8.1 The minimum amount for a single transaction is £5

8.2 Issue of University guidelines

When a PDQ machine is installed in your Unit the appropriate written guidelines will be provided by Finance. It is the responsibility of authorised users to familiarise themselves with the guidelines.

8.3 Training

Any member of staff using a PDQ machine must receive appropriate training.

8.4 Customer not present

Under no circumstances should credit/debit card details be requested or accepted in a written format (e.g. email or booking form). Where credit/debit card details are taken over the phone the transaction must be processed directly into PDQ machine. The member of staff processing the transaction should not repeat the numbers in such a way as to be audible to third parties. If the credit/debit card number is written down to assist with processing, then the number must be shredded immediately following authorisation. The customer receipt should be posted to the client.

8.5 Customer present

Process in accordance with PDQ machine instructions and guidelines. Ensure that the customer receives the customer copy of the PDQ receipt and till receipt (if appropriate).

8.6 Storage of merchant copy

8.6.1 Merchant copies of PDQ receipts must be kept for a rolling year of 12 months, for audit purposes. Merchant copies that have been held for 13 months or more can therefore be destroyed by confidential shredding.

8.6.2 Z total reports must be provided with the pay-ins to Financial Accounts.

8.6.3 Any PDQ machine receipts that are retained for audit purposes must be kept in a locked drawer, cabinet or safe within a secure environment.

8.7 Refunds – see 5.3

9 VENDING MACHINES

9.1 University maintained vending machines are subject to these guidelines. Vending machines maintained by a third party are subject to the terms and conditions of that contract.

9.2 When accessing the cash box in a vending machine there must always be two members of staff present.

9.3 The vending machine cash box contents must never exceed £300 for insurance purposes.

9.4 Vending machines should be emptied as required.

9.5 Vending cash income must reconcile with the vending stock.

10 PETTY CASH

- 10.1 Where a petty cash float is required or needs increasing, a request should be made by an authorised signatory to the nominated person in Finance – see 15.1
- 10.2 Petty Cash must be secured in a separate cash box.
- 10.3 Petty Cash vouchers are only to be used for small items of actual expenditure (not salary payments - these payments should be paid via payroll).
- 10.4 The maximum amount which may be claimed in respect of any one receipt through the Petty Cash system is £25
- 10.5 The limit of Petty Cash to be held by the Unit should be authorised by the Unit Head and finance.
- 10.6 Any item claimed on a petty cash voucher must be fully described and a receipt provided.
- 10.7 The process for issuing petty cash is as follows:
 - 10.7.1 The person making the claim must ensure the receipt is signed. The Unit Petty Cash Officer will accept the receipt, provide the cash to the claimant and will then log the receipt on the Petty Cash Reimbursement Form
 - 10.7.2 When reimbursement of the Petty Cash Float is required, the Petty Cash Reimbursement Form must be totalled with the receipts attached. This form must be signed by an authorised person and the person who will be collecting the money from the Cash Office
 - 10.7.3 Form and receipts must be taken to the Cash Office where a member of staff at the Cash Office will double check the receipts and the total of the Petty Cash Reimbursement Form. The reimbursement is checked by a member of staff at the Cash Office.
 - 10.7.4 Cash given to the claimant and form has to be signed upon receipt of cash by said person on Petty Cash Reimbursement Form. Claimants must take their Staff ID card.
- 10.8 The petty cash float should be verified and reconciled monthly by an authorised signatory.
- 10.9 For all Petty Cash discrepancies please see 4.3

11 FLOATS

- 11.1 If a float (new or additional) is required then the Authorised Signatory for the Cost Centre must make a request to the nominated person as detailed at point 15.1.
- 11.2 Floats are to be collected from the Cash Office by the Authorised Signatory who will sign to confirm receipt. The float will be charged to the University's balance sheet and will be credited back should the float be returned.
- 11.3 The float amount must be recorded within the Unit and the Authorised Signatory must make all cash handling staff members aware of the float value.
- 11.4 Floats must be checked at the start, end and changeover of each shift.

11.5 If a cash discrepancy arises at the float check this must be reported to the supervisor / manager on shift.

11.6 Cash held in the till must be of a reasonable value for the denomination.

12 TRANSPORTATION

12.1 Cash can be transported to the Cash Office in the following ways:

12.1.1 On foot/by bicycle: An unaccompanied member of staff may carry to the Cash Office up to £500 in cash in sealed Cash Collection Service Provider bag/s contained within an unmarked bag. More than £500 but less than £3000 in cash may be carried if accompanied by another member of staff. The cash level in transit and the method of transportation are entirely at the discretion and comfort of the member of staff. If an escort is required or preferred, janitorial assistance can be requested from the nominated person at Point 15.3

12.1.2 No member of staff should ever feel uncomfortable or at risk whilst carrying cash. If a member of staff feels uncomfortable carrying any amount of cash on foot/cycle, an alternative arrangement should be made.

13 CASH COLLECTION SERVICE PROVIDER

13.1 The University has contracted a cash collection service provider who will uplift banking from designated sites throughout the university and transport to the Royal Bank Cash Centre in Edinburgh.

13.2 Day to day contract management is administered by a nominated person who is responsible for all contract enquiries, amendments and correspondence. For contact details of the nominated person see point 15.7

13.3 The contract is reviewed every 6 months and no adhoc changes should be made between reviews without consultation with the nominated person.

13.4 The following procedure should be followed when the cash collection service provider collects your money:

- Check the Cash Collection Service Provider ID card of the person making the pick up.
- Ensure that all bags have been removed from the safe and have been given to the Cash Collection Service Provider Representative.
- Obtain a receipt from Cash Collection Service Provider for the number of bags uplifted. Each Unit should file and retain the receipt.

13.5 If the cash collection service provider fails to show for a designated pick up you must contact the nominated person under point 15.7

14 COMPLIANCE

If you have difficulties implementing or complying with any aspect of this policy, you should outline these concerns in writing to the appropriate member of University staff – see 15.1

15 POINTS OF CONTACT

15.1 Eric Gillespie – Finance (all general enquiries) ext 2455 erg@st-andrews.ac.uk

15.2 Kenneth Stewart – Finance, Insurance (safes etc.) ext 2465 kgns@st-andrews.ac.uk

15.3 Stewart Davidson – Estates (staff security) ext 3967 sgdl@st-andrews.ac.uk

- 15.4 Joanna Gardner – Finance, Online Shop ext 2476 onlineshop@st-andrews.ac.uk
- 15.5 Financial Accounts – Finance accrec@st-andrews.ac.uk
- 15.6 Security Pick-Ups (Cash Collection Service Provider) – Eric Gillespie ext 2455 erg@st-andrews.ac.uk
- 15.7 Petra Barber – Residential and Business Services related enquiries ext 2509 psb10@st-andrews.ac.uk (for residence related queries only)

END OF BUSINESS BANKING AND RECONCILIATION SPREADSHEET GUIDELINES

End of Business Banking and Reconciliation Spreadsheet

What is it?

The spreadsheet is the standardised reporting tool issued by Finance to enable Schools and Units to effectively and efficiently report on daily business and banking totals. The spreadsheet has been devised to be user friendly with minimal entry by the user to reconcile and analyse the data.

How to complete

- The master spreadsheet should be opened and saved as “today’s date” e.g. 15.05.09 which will be the date of the banking whether this is daily, weekly or when the user cash limit has been achieved.

Payment Breakdown Tab

What it is?

This worksheet is for the data entry and comparison of the physical amounts of monies that have been taken over the daily business period. It shows the figures as they appear on the till report and also the actual values of Cash, Cheques and PDQ. The worksheet also shows any differences in takings between the actual monies taken and what the till report states.

How to complete

- Enter the date in Cell A4 which corresponds with the date of the business and the saved name of the document.
- Column B shows the till source and this will always be completed and should not be amended by the user.
- Column C is the total of the cash transactions by till per day and should be completed from the till end of business report.
- Column D is the total of the cheque transactions by till per day and should be completed from the end of business report.
- Column E is the total of the PDQ transactions by till per day and should be completed from the till end of business report.
- Column F shows the total of the transactions in Column C, D and E. This is a formula and needs no user input.
- Column G is where the user should enter the cash takings as established after the removal of the float from the total cash.
- Column H is where the user should enter the physical total of the cheques received.

- Column I is where the user should enter the physical total PDQ takings processed that day.
- Column J shows the total of the transactions in Column G, H and I. This is a formula and needs no user input.
- Column K is the calculated difference between the reported amount of monies from the end of business report and the actual monies that have been taken. This is a formula and needs no user input.
- Column L is where the “user” should enter the justification for the difference between the reported business and actual cash received.
- Column M is where the 2 “users” enter their University user name as confirmation of the information.

End of Business Report Analysis Tab

What is it?

This worksheet is where the end of day business report is analysed in to the categories and items for that day’s sales. The worksheet is set up to show the various categories and items in the same order as they appear on the end of day business report to enable simplified data entry by the user. There will be a master spreadsheet for each School/Unit which will be uniquely tailored to their needs. VAT content for the various items will automatically be calculated to minimise error in the data entry.

How to complete

- Column A shows the date of the business being reported. This is automatically completed from the data already entered in the Payment Breakdown worksheet.
- The column headed “Item” B shows the individual items that are generated by the end of business report. When the School/Unit’s individual Master Template was created all options were entered and this data is fixed and should not be amended by the user. Should a new item be created on the end of business report then the user should contact Finance to request that the master be updated.
- The EOB Reading Figure is where the user enters the end of business report figure for each item as it appears on the report. This column has an automatic total which the user should ensure that the total on the report matches that on the worksheet. When the figure for each item is input the worksheet automatically calculates any VAT content and the Net figure for the Finance Import Sheet.
- The Difference cells are automatically populated from the Payment Breakdown worksheet. This is a formula and needs no user input.

- The Adjusted Till Report figures are then calculated and will match the figure that is the total banking figure. This is a formula and needs no user input.

Finance Import Sheet

What is it?

This worksheet is the document that is uploaded by Finance where the data subsequently appears in the School/Units management reports where further reconciliation and analysis can be carried out. The majority of the data is automatically populated and needs no user intervention. The column headed OPL shows the corresponding Cost Centre, Analysis Code and Detail code that relates to the individual items which appear on the End of Business report. Should a new item have been created on the end of business report then when the item was updated in the End of Business Analysis worksheet the relevant account information will also have been updated.

The differences figure is also included in this report and is shown under 1-(Cost Centre)-CASHDI-6196. This enables the report to be balanced with actual cash to sales reported and a formula is in place so that the user does not need to determine whether the difference should be a Debit or Credit transaction.

How to complete

- The only data that requires to be entered by the user is Column E. The data that should be entered in the purple cells are the Reference which can tie the transaction to the banking instruction. This should be in the format of: (Cash Pay In Slip Serial Number) / (Last digit of Cheque Pay In Slip Serial Number) (3 character PDQ code as advised by Finance).
- In the yellow cells enter the relevant Cash Pay In Slip Serial Number, Cheque Pay In Slip Serial Number and 3 character PDQ code as advised by Finance.