

Best Practices for Handling Cash

Student Organizations

Why this is needed

- Protects against the loss of funds
- Everyone understands their role and responsibilities
- Distributes the workload of cash handling and management
- “Cash” refers to coin, currency, checks, money orders, and credit card transactions.

Cash Accountability

- Keep track of who has access to cash and checks
- Know where the money is and who is handling it.
- All payments made to the organization should have a cash receipt issued
- Checks should be endorsed “For Deposit Only” immediately upon receipt
- Deposits should be made with 5 days of receipt
- Verify deposits against receipts

Duty Separation and Reconciliation

- Keep the number of people who handle the cash to a minimum
- Different person should reconcile the bank statement than makes the deposits and issues the checks
- The reconciler should not collect and receipt cash or balance and deposit cash.
- Check bank statements against deposit and cash receipts at least monthly, more often if possible

Cash Security

- Deposit cash immediately, do not let it sit in an unsecure location
- Use a buddy system when transporting cash