

McNeese State University

Administrative Accounting Policies and Procedures

Revised/Approval Date: April 2004

SECTION 2 -- CASH HANDLING

2.1 – CASH HANDLING FUNCTION

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The Vice President for Business Affairs and the Comptroller determine and publish the criteria for establishing cash handling functions and any rules and procedures necessary.

GENERAL

Cash represents one of the University's most sensitive assets. Due to its nature, there should be clear accountability for cash, both in its receipt for deposit and custodianship.

The University decentralizes cash handling through extensive delegations of responsibility to facilitate operations and provide for convenience and flexibility. The cash handling function is the ultimate responsibility of the Vice President for Business Affairs and the Comptroller and only those departments with approval are authorized to collect or receive funds for the University.

Adequate internal controls are also important to ensure appropriate stewardship of public funds and provide employee protection. The Internal Auditor monitors internal controls of units not organizationally responsible to the Comptroller.

PURPOSE

To ensure that an adequate system of internal control over cash handling is maintained.

SCOPE

These policies and procedures are applicable to all McNeese employees who accept payments.

OBJECTIVE

- To safeguard McNeese State University accounts against waste, fraud, and inefficiency.
- To ensure a high level of accuracy and reliability in the accounting records.
- To reduce the opportunity for errors or losses without incurring unreasonable additional costs for the increments of internal controls established.

AUDIT

University funds are subject to an audit anytime by the Internal Auditor.

CASH HANDLING FUNCTION

The cash handling function is divided into two general areas:

Cash collections - The collection, control, and deposit of amounts due to the University from cash sales, collection of accounts receivable, credit card sales, and other sources.

Cash disbursements - The dispensing of cash (both currency and check) for expenditures for miscellaneous reasons and the control of funds set up for this purpose.