



Policy & title	INV001 – Handling Cash
Effective date	1 June 2002
Objective	To ensure procedures and internal controls are in place to prevent the mishandling of University funds and safeguard and protect employees from inappropriate charges of mishandling funds, by defining their responsibilities in the cash handling process.
Scope	Includes activities at all campuses and all locations at which University business is conducted. It excludes the management of petty cash and activities funded by staff collected cash, such as tea clubs and social events. "Cash" is defined as coin, currency, cheques and credit card transactions.
Applicable to	All UCT staff, students, organizations and individuals that are entrusted with the receipt, deposit or reconciliation of cash in any form on behalf of the University/for UCT related activities.
Additional information	<ul style="list-style-type: none">• An awareness of the special precautions is required when handling the more exchangeable forms of money, like cash and uncrossed cheques.• Staff who are assigned cash handling responsibilities should be appropriately trained and be aware of relevant policies and procedures.• The insurance rules covering the loss of cash are stringent. To be adequately covered, each HOD has to provide the Insurance office with specific information annually.• Any monetary loss as a result of non-compliance with this policy is deemed to be gross negligence and could be cause for disciplinary action.
Policy & Procedure	A. Collecting & receipting B. Depositing C. Reconciling & monitoring In addition to the above: General guidelines on safeguarding <ul style="list-style-type: none">• Cash must not be sent through the UCT internal mail.• Administrators not directly involved in the cash handling process (e.g. area finance managers) have the responsibility to periodically evaluate internal procedures to ensure that reasonable controls exist to safeguard cash, and that employees understand and follow them.• The cash on hand should be "spot-checked" periodically.• Campus Protection Services must be notified promptly of any losses due to theft. The Internal Audit Office should be notified if misappropriation by an employee is suspected.• If necessary, insurance cover must be obtained, and excesses set on claims.• To ensure adequate insurance coverage, the UCT Insurance Office requires annual notification from the HOD of the approximate maximum amount of cash to be held in the department at any time during the year and confirmation that written procedures are in place to ensure the safeguarding of cash.
Implementation responsibility	<ul style="list-style-type: none">• Each individual responsible for any part of the cash handling process.• The area finance manager has to periodically evaluate internal procedures to ensure that reasonable controls exist to safeguard cash and employees understand and follow the procedures.



 **Note**

The HOD has to ensure all policies and procedures are communicated to and implemented by the responsible individual(s), including research staff. The area finance manager has to ensure reasonable controls exist to support the implementation of policies.

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Policy section	Investment & cash management
Policy owner	Head of Treasury, Finance Department
Last reviewed	May 2002
This review	October 2006
UFC approval	June 2002



A. Collecting & receipting

Policy Collecting & receipting

- All cash received must be recorded in writing on receipt.
- All mail that could contain cash should be opened by a minimum of two people.
- The same person must be responsible for both receiving and receipting the cash.
- A form of printed receipt must be given for cash received. An email acknowledgement is acceptable.
- Cash must be safeguarded at all times.
- No payment may be made from the cash received.

Procedure Collecting & receipting

- All cash received must be recorded. Depending on the volume and amount of cash received, this may be done by issuing pre numbered receipts to the customer, or by recording the transaction using any method established or approved by the HOD (e.g. in a book).
- For each receipt at least the date, customer, service/product, amount and cheque number (if relevant) must be recorded.
- Records of cash collections must be kept in a safe place separate from the cash.
- The HOD must countersign all void cash receipts or changes to other records.
- Cash collections must be kept in a safe, secure place until they are deposited. Locked cash boxes, desk drawers, filing cabinets and safes all provide varying degrees of security. The amount of cash on hand/collected/received will determine the level of security required.
- Combinations or keys to safes and other cash storage facilities should be restricted to the custodian of the cash and a designated backup.
- Cheques received must be made payable to “The University of Cape Town” and not be stale or post-dated.

[Back to INV001](#)



B. Depositing

Policy Depositing

- Cash must be deposited promptly into an authorised UCT account.
- Foreign currency deposited at the UCT cashiers will be converted at the UCT rate quoted at that time.
- Exchange rate differences will accumulate against a single general ledger (GL) account to provide for potential currency loss.

Procedure Depositing

A. General

- The amount of cash handled will determine whether cash is deposited daily, weekly or bi-weekly. Where significant, deposits should be made no later than 14:00 on a Friday afternoon. It is the responsibility of the HOD to implement procedures for public holidays, long weekends and other similar periods/breaks.
- The depositor must complete form [SD002](#) - Receipt Requisition - for all deposits (at UCT or a commercial bank).
- The cash must be counted and the total recorded in the appropriate space on the form.
- The cash counted must be reconciled to the cash collection records before it is deposited. Any discrepancy must be recorded, followed up and resolved, but not delay the depositing of the cash.
- Cash may be deposited at the UCT Receipts Cashier. The cash must be counted in the presence of the depositor and a computerised receipt issued for that amount, which must agree to the SD002 form.

Alternatively, the depositor can make a deposit directly into an authorised UCT bank account. It is very important that in this case the deposit slip, together with the completed SD002 form be sent to the Receipts Cashier to be able to allocate the deposit to a UCT fund. (The depositor should keep a copy of the deposit slip for his/her records).

- The number and amount of the receipt obtained from the Receipts Cashier or the bank stamped deposit slip must be entered against the total for the cash deposit in the cash record.
- Adequate security measures should be implemented when transporting cash, even within the University grounds.

It is recommended that the Procurement & Payment Services (PPS) be contacted regarding the use of the services of a security company.

- In cases where the depositor hands over the cash to someone else to take to the cashiers or the bank, that person, or security company, should sign the SD002 form as evidence of his/her agreement as to the cash received.

B. Foreign currencies

- The general procedures as detailed above apply.

The UCT currency conversion rate, displayed at the cashier's window, will be determined and updated at the discretion of the Head of Treasury.



C. Donations

- All donations received must be deposited into the UCT donations bank account and communicated to the Development & Alumni department (DAD).
 - For cheques and cash donations, complete form [CD004](#) and send, together with supporting documentation, to the UCT Receipts cashier, Level 3, Kramer Building for banking and forwarding to DAD,
 - For electronic payments and direct deposits, complete form [CD005](#) and send to DAD, together with supporting documentation.
- The DAD will issue a 5164 tax certificate and thank you letter to the donor.

[Back to INV001](#)



C. Reconciling & monitoring

Policy Reconciling & monitoring

- Receipts and deposits should be reconciled, at least on a monthly basis.
- Adequate separation of duties must exist for cash collecting, depositing and reconciling. [In smaller departments the handling of cash should be separated from the reconciliation.]
- Voided cash receipts should be reviewed on a regular basis.
- A person not involved in the cash handling process should authorise and monitor the process at regular intervals.

Procedure Reconciling & monitoring

- The cash collected should be counted and balanced to the cash record at the end of each day.
- Where relevant, cash should be reconciled prior to handover to another person (e.g. for the next shift or to a backup).
- The person responsible for the reconciliation function must review/check the accuracy of records on a regular basis, including that the totals receipted and deposited agree.
- The cash deposits listed in the monthly financial reports should be reconciled to the department's records of cash collections.
- A dated and signed record of the reconciliation should be prepared and filed. Any material differences in the reconciliation must be recorded, investigated and resolved.
- If pre printed UCT receipt books are used, the unused books should be kept in a safe place under the control of a person other than those involved in the collecting and receipting of cash.

[Back to INV001](#)