

Policy Analysis: Deposits – Cash and Checks #5.12 – 6/2008

Policy Objective:

To define the process for the deposit of cash and checks by university departments.

Applies To:

All University personnel who handle or manage cash or checks for deposit.

Explicit Policy Requirements (Items for which non-compliance will result in a policy Exception):

The following items are explicitly defined in the policy and should be considered as policy requirements; items which if not followed, will result in policy “exceptions.”

Ref #	Description	Page	Para
1	<ul style="list-style-type: none">Each department must restrictively endorse all checks “for deposit only” immediately upon receipt.	1	I. B
2	<ul style="list-style-type: none">Deposits must be made at least once weekly or when \$500 or more in cash and/or checks has accumulated, whichever comes first.	1	I. C
3	<ul style="list-style-type: none">It is the responsibility of the organization to accurately count all currency and checks collected.	1	I. D
4	<ul style="list-style-type: none">Cash may not be substituted for checks.	1	I. E
5	<ul style="list-style-type: none">Preparation of Checks for deposit – An adding machine tape must be run to determine the total amount of checks being deposited. A second adding machine tape must be run to verify the total previously calculated. Continue calculating until the two adding machine tapes match.Checks must be bundled with a rubber band and include one of the matching adding machine tapes. The second tape is maintained by the department and kept with its deposit records.	2	I.C.3 & 4
6	<ul style="list-style-type: none">A second person should recount the currency and checks.	2	I.D
7	<ul style="list-style-type: none">A general ledger journal entry must accompany all deposits.	2	I.E
8	<ul style="list-style-type: none">Preparing a Deposit Bag – All currency and checks and the appropriate deposit slip must be placed in a disposable bank bag.A disposable bank bag must only contain one deposit.Inspect the bag for holes or tears before using. Do not separate bags at perforation even if you do not have coins and currency for some deposits.Any deposits using damaged bags will be refused by the OSU deposit center, armored courier, or the bank.	2	III.
9	<ul style="list-style-type: none">On-Campus Deposits – The bank bag should be taken to an approved Deposit Center.An armored car courier will pick up the deposit from the Deposit Center and take the deposit to the bank.	3	IV.
10	<ul style="list-style-type: none">Off-Campus Deposits – Departments not located on Columbus campus may receive authorization by Treasury Management to make their	3	V.

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Ref #	Description	Page	Para
	<p>deposits directly at the closest university bank branch.</p> <ul style="list-style-type: none"> • Currency and checks deposited directly at the bank do not have to be placed in OSU plastic disposable bank bags. However, for safety and security purposes, deposits should not be carried out in the open. 		
11	<ul style="list-style-type: none"> • Printing Deposit Tickets – Every business day around 11:30 am, Bank Reconciliation prints deposit tickets that are couriered to the bank. All deposits entered throughout the university after 11:30 am the previous day will print and be included. • Any deposits made prior to 11:30 am should be taken to the bank the same day, otherwise the bank will alert the Office of Financial Services of a missing deposit. This alert is researched and any discrepancies are reported to internal audit. 	3	VI.
12	<ul style="list-style-type: none"> • University departments wishing to utilize bank lockboxes for processing or handling mail remittances or revise existing lockbox features must contact Treasury Management. 	4	VII.C.

Summary of Potential Policy Exceptions:

- Deposits are not being made weekly or when \$500 or more in cash and/or checks has accumulated, whichever comes first.
- The department does not include a general ledger journal entry with all deposits (Off-campus/regional locations).
- On-Campus locations are not taking their deposits to an OSU Deposit Center and/or utilizing the courier as established in conjunction with FSS.
- Off-Campus locations have not obtained authorization from Treasury Management to make their deposits directly at the closest university bank branch.
- The department has established a lockbox and/or revised existing lockbox features without contacting Treasury Management.
- Departments are not restrictively endorsing checks “for deposit only” immediately upon receipt.
- The department does not accurately count all currency and checks collected.
- The department does not calculate the deposit with two adding machine tapes and/or does not include one adding machine tape with the deposit and the other with the department deposit records.
- The department does not have 2 people verify the count for the deposit (Off-campus/regional locations).
- The department is not using the disposable bank bag or does not utilize the bag appropriately.
- The department does not take deposits made prior to 11:30 am to the bank the same day (Off-campus/regional locations).

Policy Areas of Potential Student Life Interpretations and/or Follow-up with Business & Finance:

The following items are potential areas of policy interpretation, left to the discretion of Student Life:

Ref #	Description	Page	Para
1	<ul style="list-style-type: none">N/A		

Areas of Consideration for Defining as “Reasonable” in the ICS:

N/A

Potential Training Topics:

Cash Handling

Deposits

Understand and Prevent Fraud

Internal Controls