



# KENTUCKY STATE UNIVERSITY POLICIES AND PROCEDURES

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**POLICY TITLE:**

**Cash Handling Policy**

**VOLUME, SECTION & NUMBER:****ENTITIES AFFECTED:**

**All Divisions and Departments**

**ADMINISTRATIVE AUTHORITY:**

**Finance and Administration**

**APPROVED BY:**

**Office of the President**

**EFFECTIVE DATE:**

**July 8, 2024**

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**POLICY STATEMENT:**

Cash is the most liquid asset an organization has. Therefore, internal controls should be strongest in this area. Continuous follow-up and attention should be a priority with cash receipts.

Access to cash should be limited and all funds secured so that no one individual can access it without another responsible employee present. The work of one employee serves to verify that of another so that any errors which may occur can be detected promptly.

**PROCESS:**

Cash receipts (check or cash) should be recorded in the accounting system and then immediately endorsed with a *For Deposit Only* stamp. Checks should be scanned and stored for audits, reconciliation, and safekeeping. Cash should be verified by the documentation which accompanies the cash receipt. Copies of checks and cash documentation should be attached to each deposit record.

Gift receipts/acknowledgements are covered under the Gift Acceptance Policy. All other cash receipts (check and cash) should be receipted or have supporting documentation (e.g., invoice) that can provide a back-up reconciliation document.

Cash receipts should be deposited to the KSU account at least once per week. Checks or total receipts exceeding \$10,000 should be deposited within one (1) business day. A copy of the deposit record and a copy of the corresponding check or cash documentation for each item should be retained. At the end of each bank statement cycle, the Treasurer or other Board designee will reconcile the deposit register and deposit records to the bank statement.

**RELATED POLICIES:**

Business Policy and Procedures Manual

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