



Cash Handling Policy

Purpose of Policy The purpose of this policy is to define the responsibilities of anyone who handles University Cash.

Overview The University deals with large volumes of cash and in order to minimise risk to staff and the wider University it is important that all cash is handled in a secure manner. This includes payments from individuals, customers and other corporate bodies.
The cash handling policy must be adhered to at all times and is mandatory for all staff. Failure to comply with this policy may result in disciplinary action. Heads of departments are responsible for ensuring that their staff read the policy and that it is understood and adhered to. If financial irregularities or fraud concerning cash is suspected you must notify your Line Manager immediately.

**Scope:
Mandatory Policy** The cash handling policy must be adhered to at all times and is mandatory for all staff.

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Cash Handling Policy

Introduction

The University deals with large volumes of cash and in order to minimize risk to staff and the wider University it is important that all cash is handled in a secure manner. This includes payments from individuals, customers and other corporate bodies.

The purpose of this policy is to provide a reference for a consistent approach. The cash handling policy must be adhered to at all times and is mandatory for all staff. Failure to comply with this policy may result in disciplinary action. Heads of departments are responsible for ensuring that their staff read the policy and that it is understood and adhered to. If financial irregularities or fraud concerning cash is suspected you must notify your Line Manager immediately.

Summary of key points

- It is essential that all monies are kept in a secure environment until they can be collected or passed to the [Cash Office](#).
- The location of safe keys and knowledge of safe combinations must be restricted to key staff only.
- The following procedures must be adhered to when handling any amount of cash (including cheques).
- Each Head of Department will be responsible for ensuring that their staff are aware of, understand and adhere to this policy.

Storing Cash

Cash taken at any outlet must be stored securely. Cash boxes can be used to store petty cash floats up to £250 and these must be kept in a locked drawer and the room must be locked when vacant. Values in excess of £250 must be kept in a locked safe. [Insurance Section](#) can advise on appropriate safes and will advise on the monetary limit that can be held in each safe, this limit must then be strictly adhered to. All staff responsible for cash handling must be aware of the current insurance limit for their respective safes.

Cash that is not being used i.e. for Petty Cash, Floats etc., must be passed to the Cash Office to be banked as soon as practicable and must never be kept on the premises for longer than 7 days. (See also Safe - Insurance Limits)

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Safe – Locations

- All safes must be located in a secure area, easily accessible for staff to secure the cash.
- Safes must not be situated in areas accessible to non-essential staff or the public.
- Ideally safes must be out of view and not located near or visible through windows or doors. Insurance section must be notified of any changes of locations to safes.
- Insurance section must be consulted when selecting a safe to ensure that they adhere to the correct standards for the safe limit.
- Insurance section must be notified of any changes of locations to safes.

Safe – Insurance Limits

It is important that insurance limits are not exceeded, under no circumstances must safes be left overnight exceeding their cash limits.

Safe – keys and combinations

The access to safe keys must be restricted and kept to the minimum persons required to allow for operational requirements. Keys must be kept on the person and not left in unlocked drawers or on desks. No information relating to the safe or its location must be attached to the keys. A spare set of keys can be held securely by the cash office if required. The loss of keys must be reported to Manager/HOD immediately.

It is important that when key personnel changes occur the Manager/HOD ensures that all cash is balanced and keys handed over. Combinations to safes must also be changed. A log must be kept of the dates when the changes occur.

Vending Machines

Cash held in vending machines must never exceed £250 for insurance purposes. Vending machines must be emptied on a regular basis, with cash being passed to the Cash Office.

Accuracy

When physically counting cash always take your time and if you are unsure count the cash again. The amount of cash received must be stipulated by the payer before you accept it. If you are handed a large volume of mixed notes it is easier to split the notes into separate denominations before counting to avoid confusion. Don't be distracted or intimidated by customers. If you are struggling or the customer is disputing the value of cash handed over then ask a colleague to double check it for you. Cash must always be counted in front of the customer at the time they hand it over. When you are happy the cash agrees issue a receipt, which must be signed by both parties, you must keep one copy for your records as proof that you received the cash. NEVER issue a receipt without first checking the cash is correct.

Paper notes must be checked with a counterfeit detection pen. These pens are available from the University's stationery supplier. Counterfeit bank notes are not as uncommon as you may think, any notes taken and not detected at source will be charged back to the department.

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Paper Bank notes

With the New £20 Polymer notes coming into circulation in early 2020 and the £50 Polymer notes in 2021 the paper bank notes will gradually begin to be withdrawn.

Polymer Bank Notes

LOOK – Each family of notes has its own see through feature and clear window design that you can look through.

FEEL – Polymer notes can feel slippery when new; although this tends to decline once the notes have been in circulation for a while. Polymer notes also have areas of raised print which give them a tactile quality and reduce the slippery feel.

TILT – There is an area of shiny metallic ink which changes colour as you move the note around.

For information on all UK currency go to:

<https://www.bankofengland.co.uk/banknotes/uk-notes-and-coins>

Reconciliation of Income

Each Outlet across the University is responsible for reconciling their own Income.

Discrepancies must be investigated immediately whatever the value. All discrepancies must be logged and reported to your line manager. It is good practice when handing a cash float to another colleague that both parties stay with the cash until both are satisfied the float has been reconciled correctly.

Banking Preparation

Cash must be sent to the Cash Office on a regular basis, at least weekly. Cash must be entered on a Cash List providing a breakdown of each denomination.

The Cash and Cash List must be sealed in an envelope and kept securely until security arrive to collect it, alternatively it can be hand delivered to the Cash Office.

Coins – Coins must be bagged in official bank clear plastic coin bags adhering to the denomination limits on the front of each bag. DO NOT mix coin, as coin is weighed not counted. Coin bags can be obtained from your local bank or from the Cash Office. Do remember that coin is heavy and lifting large amounts could become a health and safety issue.

Notes – Notes must be laid flat, not folded or rolled and in their respective denominations secured by elastic bands.

All notes must face up with the largest value at the bottom (£100 on the bottom £5 on top)
Notes must be checked with a counterfeit detection pen (see above).



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Security Company Cash Collection

The University employs the services of a Security firm for Cash in Transit from certain sites directly to the bank.

If you use this service, please ensure that all cash is ready in their sealed bags at the designated collection times. The Security firm will not collect any bags that are damaged or look like they have been tampered with.

When the Security Officer arrives to collect the cash please perform the following checks:

1. Check their ID – Every member of the Security Firm carries an authorised collector's card and are required to display this at all times.
2. Check the Uniform – Every Security Officer must be wearing their uniform with the firm logo clearly visible.
3. Check the receipt - The Security Officer will scan the bags and issue you with a receipt which shows the number of bags collected and the unique bag reference number of each one. The receipt must be carefully checked and retained. These are subject to audit.
4. If you are suspicious of the Security Officer in any way, do not hand over any bags. Telephone the Security firm directly to have the guards identity verified. If they are a genuine crew member they will understand and welcome your due diligence.

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Sterling Cheques

When taking a cheque from a customer check the following:

- The date is valid (i.e. not Post-dated or out of date)
- Correct Payee (Cheques must be made payable to 'The University of Edinburgh')
- Amount in words and figures are present and agree
- The Cheque is signed
- Any amendments are initialed by the drawer

Cheques must be entered on a Cheque list. Cheques must be sent to the Cash Office along with the Cheque list via the Internal Mail on a regular basis to be banked, preferably when received and no longer than 7 days.

Lodgment of Cash and Cheques

On receipt of Cash and Cheques into the Cash Office you can expect the funds to appear in the ledger within 3 working days.

Clearance of Sterling cheques

Funds will be available a maximum of 7 working days after the cheque appears in the account (i.e. if a cheque is credited to the account on Mon 2nd, it cannot 'bounce' after Tues 10th). NB **Cheques drawn on non-UK Clearing Banks are not covered under these rules.**

Foreign Cheques

There is no overseas cross-border cheque clearing system. A foreign cheque is a cheque issued in a foreign currency and payable at a foreign bank. Foreign cheques have to be sent abroad on a 'collection' basis the process can take several weeks, or months and can be expensive.

Our bankers may provide value immediately, subject to recourse this is called 'negotiation'. Although we get the funds straight away the bank has a right of recourse and as there are no fixed timescales for a foreign cheque to be 'dishonoured' it could be several weeks, or more, before the cheque is returned unpaid and the bank debit our account. Exchange rates can vary significantly so we may get much less money than would have been the case on the day the cheque was paid in.

In the case of cheques drawn on banks in the US, funds can be recalled any time up to six years after payment to the beneficiary has been made.

If you are owed payment from an overseas' account holder, it is better that you ask to be paid by means of an automated payment to our main No 1 bank account. If payment is being made to the university within the euro zone, the payer will need to know our IBAN (International Bank Account Number) GB98 RBOS 8306 0811 6575 19 and our bank's BIC (Bank Identifier Code) RBOSGB2L, both of these are on our Cash Office wiki page.

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Petty Cash

Petty Cash Floats must where possible be kept to a maximum of £250, but must be held at a level appropriate for intended use. Floats above this amount will require you keep the cash in a safe. (Insurance department can advise).

New Petty Cash Floats are arranged with your Management Accountant, they will complete the initial Petty Cash Imprest Form and forward it to the Cash Office for payment.

Subsequent reimbursements will require the person with responsibility for the float to complete the Petty Cash Imprest Account form, with the amount of the imprest, less the amount spent and showing the balance of the cash in hand, you must check that the physical cash held agrees with this total then sign prepared by. The form must then be checked along with the receipts and authorised, the person authorising must appear on e-authorisations under Petty Cash for these codes and have a scanned signature. The Cash Office will supply the cash reimbursement to the person specified on the form. To maintain the segregation of duties the person authorising the form must not also sign as having prepared the form.

The Cash Office will arrange delivery of the Petty Cash via Central Security unless they receive prior notification that you or your representative will collect the cash from the Cash Office in person.

Cash can only be collected by or delivered to, the named person with signed identification i.e. full driving license, bank card, or passport, along with their staff ID card. Central Security will require you to sign their collection sheet for the sealed package. You must open and check the contents of the package as soon as possible after delivery, then sign and return the enclosed receipt to the Cash Office.

Petty Cash is an Imprest account and must be used as such, it must not be topped up with any miscellaneous income received, (this must be recorded on a Cash Sheet and sent to the Cash Office), or used for reimbursing travel and subsistence expenses, these must be claimed from Accounts Payable using e-expenses.

When a member of staff ceases to be responsible for the imprest account, the cash must be reconciled together with either the person taking over the float or by the member of staff's line manager.

Where a Petty Cash Imprest is no longer required, you must advise your Management Accountant to enable them to update their records, they will issue you with the correct Cost Centre, Account and Job code for you to use, you will then complete a Cash List with this coding and send it along with the cash to the Cash Office stating that the cash is repayment of a Petty Cash Imprest no longer required.



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Casual Payments

The Cash Office can issue cash for Clinical Trials/participants expenses, (not staff participants these must go through payroll), or deposit refunds, i.e. locker keys. NOTE: Deposits paid by credit/debit card, will always be refunded back to the original card the payment was made from.

Casual Payment Vouchers must be accompanied with a covering letter with an explanation as to why the cash is required and what exactly the cash will be used for.

For Clinical Trials/participants expenses we will also require the end date of the trial; number of participants and how much each participant is due to receive.

The person authorising the form must be authorised to do so, and appear on e-authorisations under 'Manual Payments' for the relevant Coding and amount.

All unused cash must be returned to the Cash Office on a Cash List within 7 days of the trial finishing.

The Cash Office will arrange delivery of the Cash via Central Security unless they receive prior notification that you or your representative will collect the cash from the Cash Office in person.

Cash can only be collected by a named person with signed identification along with their staff ID card. Central Security will require you to sign their collection sheet for the sealed package on delivery. You must open and check the contents of the package as soon as possible after delivery, then sign and return the enclosed receipt to the Cash Office.

To maintain the segregation of duties the person authorising the form cannot also sign as having prepared the form.

Effective controls to prevent fraud must be maintained with a comprehensive Audit Trail.

Refer to Fraud Policy https://www.ed.ac.uk/files/atoms/files/fraud_policy.pdf

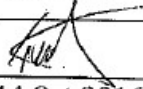
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Document control

Author	Karen Fisher
Approver	Terry Fox
Signature of approver	
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Section responsible for policy maintenance & review	Cash Office

Change Control record

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29/01/2020	Policy updated 07/01/2020 K Fisher	T. L. Fox