**QUEEN’S UNIVERSITY BELFAST**

**Cash Handling Procedures**

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| **Version** | **Detail** | **Author** | **Approval** | **Date** |
| v1.0 | Final | Finance Directorate | Director of Finance | March 2022 |

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# **Introduction**

To protect both staff and the University, it is important that robust security arrangements exist for dealing with cash, and that these cash handling procedures are complied with. These procedures provide guidance on:

* How to store cash securely;
* The accurate recording of cash;
* The transportation of cash; and
* Points of contact for cash handling related issues.

The University is taking a phased approach to progressively introduce a cashless campus and therefore wherever possible, the taking of cash should be restricted, and alternative methods of payment which are cash-free, instant and secure should be adopted, e.g. credit/debit cards via the internet or card terminal, should be offered and encouraged as preferred methods of payment.

When any new cash handling facility is being considered, the Financial Controller and the Security Manager for the University must be consulted.

These procedures are a best practice guide for the control, receipt and banking of cash. It is expected that individual business areas will develop their own local documented business processes to support the implementation of this guidance.

## Definitions

For the purpose of this procedure, cash is defined as coin and paper currency, however, this guidance also extends to bank drafts and cheques.

## Scope of the Procedures

The procedure applies to all locations and business units across the University which accept cash payments. It must be adhered to at all times irrespective of the value of cash being handled.

Directors and Faculty Directors of Operations are responsible for ensuring that their staff are aware of the procedures, and that they are adhered to.

Every member of staff has a duty to ensure that University funds are safeguarded. Repeated or negligent disregard for these procedures may result in disciplinary action being taken. If you suspect any financial irregularities or fraud concerning cash you should notify your line manager immediately or take action in line with the University’s Anti-Fraud Policy.

# **Cash Handling Procedures**

## Governance

Each School/Directorate should document local procedures relevant to their location, covering key cash management processes such as till operation and performing reconciliations. These local procedures should be in line with the guidance set out in this document.

Transactions involving cash handling should only be dealt with by staff members who are authorised to undertake such responsibilities. A list of authorised staff should be maintained and regularly reviewed by each School/Directorate.

Regular spot checks should be performed by senior staff to ensure procedures are being adhered to. The Finance Directorate will also perform periodic reviews of the operation of these procedures.

## Segregation of Duties

Cash handling activities should be undertaken by a minimum of two people. The overriding principle is, that to achieve an adequate separation of duties and to reduce risk, it is necessary to ensure that no one individual is responsible for all cash handling activities; that is, the collection and counting of cash, cash reconciliation, lodgement preparation and review of project statements.

For example, where a staff member receipts cash, a supervisor should check the total collected against the till reading/totals receipt. The initial staff member can prepare the deposit for the Student Finance Office (SFO) but the supervisor should reconcile the recorded cash received to QFIS/Agresso.

## Receipt of Cash

The School/Directorate should keep a record of all cash received. A receipt must be issued for all cash received and a copy retained. The receipt should be processed through the cash register/financial system, or issued manually and show:

* Date received
* Name of the payee
* Amount received
* What the payment was for
* Type of payment received i.e. cash, cheque, postal order, credit card, debit card
* Unique receipt number.

Cheques or bank drafts received must always be checked to ensure that they are:

* Made payable to “Queen’s University Belfast” or the relevant subsidiary company
* Dated correctly (not back dated)
* Signed
* Accurately detailing the value (words agree to figures)
* Appropriately initialled, if amended in any way by the customer.

It is essential that staff are vigilant in identifying counterfeit notes. All bank notes should be verified using a counterfeit detector pen or UV light detector, where possible. Where a counterfeit note is identified, it should not be accepted from the customer or included in daily cash takings. The customer should be advised to bring their note to a bank or the police.

### Tills

Tills should only be operated by authorised members of staff who have received appropriate training. Each till operator must have their own log-in. Till log-ins should not be shared and operators must always log out of their session in order for each transaction to be identifiable for reconciliation and audit purposes.

When processing a transaction the till should not be left open for any longer than necessary. Cash uplifts should be performed during busy periods and appropriately recorded.

### Refunds

Refunds should be processed in a controlled manner. Each School/Directorate should document required refund approvals relevant to their location and agree these with the Finance Directorate.

Cashiers should obtain appropriate approval in advance of any refund being issued to a customer. Refunds should be reviewed by supervisors/line managers as part of the daily reconciliation of cash takings to supporting till reports/Z readings/other receipts. Controls should be in place to ensure that original funds have cleared the bank before issuing a refund and to detect any unusual refund activity.

All refunds must be returned to the original payment source as below:

|  |  |
| --- | --- |
| **Payment Method** | **Refund Approach** |
| Bank transfer | Refund to originating bank |
| Cheque | Proof required of account that cheque came from. Refund to that bank account |
| Online | Refund to the original card |
| POS Credit/Debit Card Terminal | Refund to the original card |
| Cash | Low value transactions at University retail outlets :   * Cash with appropriate approval from line management.   Other Business Areas:   * Refund by cheque or bank transfer. |

### Change Requests

During cash handling activities, additional coinage may be required in exchange for bank notes. Where change floats are in operation within a School/Directorate, requests for change from the float should be recorded and processed by a staff member other than the cashier requesting the change. Change floats should be reconciled on a periodic basis by a supervisor and evidence of the reconciliation should be retained for audit purposes.

Replenishment of the change float should be processed in a controlled manner, whereby requests are recorded, approved and evidenced checks are performed to ensure that the amount requested and received reconcile.

## Reconciliation of Cash and Lodgement to Bank

On a daily basis, all cash takings should be reconciled to supporting receipts and/or till reports by a supervisor. If operating credit card terminals, daily procedures should include a reconciliation of the end of day terminal reports to the relevant sales system or other supporting documentation. Till float balances should also be checked. Any discrepancies should be investigated and resolved. The supervisor should evidence their review by signature, date the review and retain it for audit purposes.

Where cash is being counted by staff, this should be done out of sight, and in the presence of more than one staff member.

Cash takings should be stored securely in a safe until banked. When not in use, till floats should also be kept in a safe, separate from cash takings.

Please refer to Section 2.6 for guidance on the physical security of cash.

All banking should be completed without delay. Lodgements can be deposited to the bank either via the University’s approved security company, RMS/Pivotal, or the SFO. If cash is not collected by RMS the following criteria apply for transporting cash to the SFO:

* Up to £2,500 - 1 person
* Between £2,501 and £6,000 - 2 persons
* Over £6,000 – University’s approved security company
* Cash must not be sent to the SFO in the internal mail.

Where a School/Directorate make lodgements directly to the bank via RMS, the SFO must be notified of the lodgement details in a timely manner to reconcile to the University’s bank statements, for example, by submission of a BIF file summary to the SFO mailbox. Please refer to Section 2.8 for more guidance on security company cash collection.

All lodgements made via the SFO must be accompanied by a Lodgement Details sheet (Appendix 2) which specifies the relevant Qfis account and project codes for the lodgement. Lodgements will be checked in the presence of the staff member making the lodgement. The lodgement details sheet will be signed by both the SFO staff member and the person lodging the money. A signed and stamped copy of the lodgement sheet will be issued as a receipt at the time of the lodgement. Staff lodging money must remain at the SFO counter until the cash is counted and a receipt issued.

All bank lodgements, from either the School/Directorate or the SFO, must be prepared in line the bank’s specific requirements for coin, note and cheque lodgements.

Cash received must be lodged to an appropriate University bank account. It is not permitted to retain cash to fund ad hoc purchases.

## Qfis - Recording and Reconciliation of Cash Transactions

All cash sales must be recorded within Agresso (Qfis) on a timely basis, either by:

* A nominated member of staff who will record the relevant income received on a daily basis; or
* Via feeder files (BIF) from the relevant source system.

It is the responsibility of the School/Directorate making the lodgement to:

1. Ensure relevant Agresso project codes are reviewed to validate that all banked cash appears completely and accurately. The reconciliation should be performed on a monthly basis and should be evidenced appropriately for audit purposes.
2. Account for VAT properly. Further information can be obtained from the Tax section of the Finance Department. If VAT has to be paid on the income the amount net of VAT should be recorded in addition to the appropriate VAT code.

## Physical Security of Cash

The amount of cash held within a School/Directorate should be kept to a minimum. Cash should be held in a secure environment at all times in either a till, locked cash box, or safe until it can be collected and transported to the Bank/SFO. Cash should never be left unattended in an unsecured location for any period of time.

Any cash amounts over £300 must be held in a safe. Locked cashboxes should be kept out of sight at all times in a locked cabinet or drawer. Sensible precautions should be taken to ensure that any room in which cash is regularly stored is locked when unoccupied.

Knowledge of the location of cashbox, till and/or safe keys should be restricted to key staff. Keys must not be left unsecured, particularly in the office overnight.

## Safe Management

As a condition of the University’s insurance, safe keys must be held in a secure location separate to the safe itself.

Locations

All safes must be:

* Located in a secure area;
* Easily accessible for staff to secure the income; and
* Out of view.

They must not:

* Be in an area of public access;
* Have their location publicised; and
* Be located near or visible through windows or doors.

The Student Finance Accountant should be notified of any changes of locations to safes and of any additional safe requirements.

Insurance Limits

These relate to the permitted value of cash within a safe, as defined by the Insurer. It is essential that insurance limits are not exceeded, therefore supervisors/managers should be aware of the limits and, if inadequate, request further cover from Insurance.

In no instances should safes be left overnight exceeding their cash limits. Local procedures should be in place to reconcile the safe contents against the permitted limit and to prevent safe contents being exceeded. Furthermore, reconciliation controls should be in place to ensure that any cash transferred between safes is safeguarded and completely accounted for.

There are a number of safes specified on the University’s insurance policy with limits above £2,000. These are mainly located in trading or designated cash-handling areas. All unspecified safes are insured for the lower of the limit stated in the safe manufacturer’s guidelines, or £2,000.

All safes should display the maximum amount of cash that is insured to be held overnight in the safe.

The following insurance cover limits are set out in the University’s insurance policy regarding the loss of money on University premises:

* Crossed cheques and non-negotiable securities: £550,000
* Money in transit, on premises during business hours, or in bank night safe: £40,000
* Outside business hours:
* In any unspecified safe £2,000
* In specified safes As per list
* Out of safe £500
* In home of authorised employee £500

## Security Company Cash Collection

The University employs a security company to ensure the safe transit of cash to the bank. Where the University’s approved security company is collecting lodgements from a location/site, cash collection procedures must be documented by each School/Directorate. These procedures must identify the specific collection point, collection days and approximate times.

Cash should be appropriately prepared in 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 a security officer arrives to collect the cash the following checks should be performed:

* Check their ID – Every member of the security firm carry an authorised collector’s card and are required to display their personal identity card at all times.
* Obtain a receipt for the bags collected. This must be retained for audit purposes.

The security officer will scan the bags and issue you with a receipt which shows the numbers of bags collected and the unique bag reference number of each one. The receipts must be retained and are subject to audit.

# **Anti-Money Laundering**

Money laundering is any method of disguising the origin of the proceeds resulting from criminal activity. The purpose of money laundering is to hide the origin of such proceeds so that it appears to have come from a legitimate source.

The Proceeds of Crime Act 2002 states that it is an offence to:

* Assist another person to launder proceeds of crime; and/or
* Fail to report knowledge or suspicions of the laundering of the proceeds of crime.

An example of money laundering in a University context relates to the payment of tuition fees by international students. This could occur where a student overpays his/her fees and then requests a refund in the form of a cheque drawn on the University’s bank account. In this way, the identity of illegally obtained money is concealed, as it appears to have come from a lawful source.

Staff should be aware of the risks of money laundering when a customer attempts to make a large payment in cash. Consideration should be given regarding the rationale behind the customer paying in cash and why the customer doesn’t have a bank account.

Overpayments in cash should not be accepted in any circumstance. Cash transaction limits should be considered in each School/Directorate to minimise money laundering risk.

If there is any doubt as to the source of the funds, cash should be refused and action should be taken in line with the University’s Anti-Fraud Policy

<https://www.qub.ac.uk/about/Leadership-and-structure/Registrars-Office/FileStore/Filetoupload,750405,en.pdf>

# **Other Considerations**

## Unannounced Callers

When individuals arrive unannounced at University premises, staff should ensure that they seek appropriate evidence of their identity and confirm under what authority they request access to University premises. Callers who request access to cash handling areas and safes should be asked to provide both valid identification and a letter of authority from the Finance Directorate.

## Bank Accounts

All monies due to the University should be credited to an authorised University account. No employee of the University is authorised to open a bank account in the name of the University.

## Petty Cash

In the interests of efficiency, departments may hold petty cash floats to avoid making individual claims for low value expenses. The value of the float should be small enough to avoid creating a security risk. In general only one float will be allowed in each School/Directorate except where location dictates that this is impractical and an additional petty cash float is authorised by the Head of School/Director.

Petty cash must not be issued for:

* Personal purposes
* Cashing cheques; or
* Salaries and wages.

When the level of petty cash is low a claim for replenishment should be made to the Payments Office, Finance Directorate. No cash should be added to petty cash floats other than by replenishment from the Payments Office. The petty cash should be administered by someone other than the authorised signatory.

Where a new float is required or increased, an application should be made in writing, to the Payments Accountant, stating the amount and circumstances in support of the request.

Detailed petty cash procedures are available on the Finance Directorate section of the Queen’s website:

<https://www.qub.ac.uk/directorates/FinanceDirectorate/Staff/finance-services/payments-and-p2p/petty-cash/>

## Other Relevant Procedures

These procedures should be read in conjunction with the following University policies:

* [Data](http://www.qub.ac.uk/directorates/InformationServices/Services/Security/) Protection Policy
* Anti-Fraud Policy
* Management of Credit and Debit Card Data Policy (PCI DSS)

# **Points of Contact**

|  |  |
| --- | --- |
| **Contact** | **Email** |
| Student Finance Office (SFO) | **General Queries:** [bankrec@qub.ac.uk](mailto:bankrec@qub.ac.uk)  **BIF File related:** [incomebif@qub.ac.uk](mailto:incomebif@qub.ac.uk) |
| Income & Student Finance Accountant | [o.russell@qub.ac.uk](mailto:o.russell@qub.ac.uk) |
| Student Finance Accountant | [stephen.grant@qub.ac.uk](mailto:stephen.grant@qub.ac.uk) |
| Financial Controller | [g.mayhew@qub.ac.uk](mailto:g.mayhew@qub.ac.uk) |
| Security Manager | [r.sheridan@qub.ac.uk](mailto:r.sheridan@qub.ac.uk) |
| Insurance | [insurance@qub.ac.uk](mailto:insurance@qub.ac.uk) |

# **Appendix 1 - Payment Methods**

**Credit/ Debit Card Payments**

The University accepts payment via:

* Visa Debit/Credit
* MasterCard
* Maestro

The University does not accept payment via:

* American Express
* Solo
* Laser

Card payments can be made as follows:

* Using Point-of-Sale chip and pin card terminals in various University outlets, e.g. Student Guidance Centre (tuition fees), Elms Village Reception (accommodation), Student’s Union, McClay library, PEC etc.
* Online via QSIS for student related debt and via our e-commerce platform for a variety of services.
* Over the phone using Storm which is the University’s system for taking secure card payments by telephone. Customers should have their account number and invoice number to hand. Cardholder permission is required for the card to be used. For payments taken by the SFO, it is the School/Directorate’s responsibility to advise the customer of the correct account code and project to quote when making payment so that the appropriate journal can be completed.

The processing of credit and debit card data, within the University, must comply with the conditions set out within the University’s Policy on the Management of Credit and Debit Card Data.

Schools or Directorates must not implement business processes which involve the processing of credit card payments, without first consulting with the PCI DSS Compliance Group, who will advise on how data should be processed.

Please note that card details must never be received or transmitted by post or messaging technologies (for example, e- mail, instant messaging, SMS, chat, etc.). Card details received by messaging technologies should be deleted immediately and the customer advised to use another channel – online, phone or on site.

The Policy on the Management of Credit and Debit Card Data and the PCI DSS Compliance Group contact details are available at:

<https://www.qub.ac.uk/directorates/FinanceDirectorate/Staff/finance-services/income-cash-bank/pci-dss/>

**Bank Transfer / BACS**

**General / Debtor BACS Payments**

BACS payments can be made directly into the University bank account provided the customer number and invoice number are quoted. Please contact the SFO for our bank account details. Remittance advices should be sent to Student Finance Office, Student Guidance Centre, Queen’s University Belfast, University Road, Belfast BT7 1NN or via email to remittances@qub.ac.uk

It is the School/Directorate’s responsibility to advise the SFO of such receipts so that the appropriate journal can be prepared to credit the receipt to the correct account code and project. Any monies not identified are credited to a suspense account pending clarification.

**Tuition Fee BACS Payments**

Payments for student tuition fees can be made by Flywire (see link at <https://www.qub.ac.uk/Study/Feesandfinance/pay-tuition-fees/self-funded>) or directly into the University tuition fee bank account by bank transfer. All payments made must include the student’s full name and student number to enable the transaction to be posted to their student account on QSIS.

Sponsors who pay tuition fees on behalf of students are advised to quote the same information, and also to submit a remittance to the email address sponsors@qub.ac.uk or by post to the SFO address above.

**Cheques**

**Postal Cheques**

All cheques should be made payable to "Queen's University Belfast", or the relevant subsidiary company, and sent to the SFO, Student Guidance Centre, Queen’s University Belfast, University Road, Belfast BT7 1NN. For tuition fee payments, the student’s full name and student number should be quoted on the back of the cheque. For General / Debtor cheque payments, the customer number and invoice number should be provided.

**Cash**

Wherever possible, the taking of cash should be restricted and alternative methods of payment should be offered and encouraged as preferred methods of payment. Cash will no longer be accepted for the payment of tuition fees.

# **Appendix 2 – Lodgement Details Sheet**

