



**DONNELLY
COLLEGE**
EST. 1949

Cash Management Policy

Approved Date: May 7, 2020
Reviewed/Updated Date: March 28, 2019
Approved by: Administrative Council
Responsible Official: Director of Accounting

Cash Management Policy Overview

The Business Office of Donnelly College is responsible for receiving and dispersing of funds on behalf of Donnelly College. Safeguarding these funds is required to ensure all incoming and outgoing funds are managed correctly and to avoid any opportunity for fraud. Because of this, the following policies are provided to staff, faculty and students to guide the management of funds received and dispersed.

Outgoing Funds

Outgoing funds include cash, check or credit card payments to vendors and individuals for purchases and/or services rendered, to staff and faculty for employee reimbursements, and to students as student refunds.

1) Payments for Purchases/Services

- All purchases require a Purchase Order (PO) for each transaction to document the accounts to be charged and the department manager's approval of the expense. See the General Purchasing Policy for more information regarding purchase order requirements.
- Purchases from the Donnelly College Amazon account can only be made by assigned Amazon account owners. Purchase orders are required for each transaction.

2) Employee Reimbursements

- If a staff, faculty or student worker incurs a Donnelly related expense and pays for the expense out-of-pocket, then a purchase order should be submitted for reimbursement. Usually reimbursements are paid via Payroll as a direct deposit.
- Mileage reimbursements require both a purchase order and a mileage reimbursement form to be completed and approved for reimbursement of funds.

3) Student Refunds

- Student refunds are funds returned to students when the student has a credit balance (funds remaining) on their student account after all tuition, fees, and other charges have been paid for by the student.
- Student refunds are generally prepared after Financial Aid loans and grants are awarded and dispersed onto student accounts.

- Student refunds are processed from a separate Student Refund bank account.

4) Types of Outgoing Payments

- Cash – Cash can be obtained from the Business Office’s petty cash fund. A petty cash request form is required and requires a department manager’s approval.
- Checks – Checks prepared on behalf of Donnelly College can only be prepared by the Accounts Payable Specialist. All checks require an invoice and an authorized purchase order. Checks are usually processed each week, and the deadline for check requests is noon on Tuesday each week for the check to be prepared by Friday of that week.
- Credit Cards – Donnelly College has separate credit card accounts for the President’s Office, the VP of Academic Affairs, the VP of Business Affairs, Student Affairs, Student Services, Advancement (Development), and the Business Office. See the Credit Card Policy for further information regarding the management of credit cards.

Incoming Funds

Incoming funds include cash, check or credit card payments to Donnelly College from students, donors/grants, and miscellaneous receipts.

Under no circumstances can students accept cash payments. Students may only accept incoming funds via check and Blackbaud Mobile Pay. Students may provide a remit envelope to donors who wish to donate cash that is mailed to the Donnelly College Business Office.

When Staff or Faculty receive payments from donors and/or other payments for Donnelly-related events, the funds should be promptly delivered to the Business Office and recorded by the Director of Accounting. This includes funds received on behalf of student clubs and organizations.

1) Payments Received from Students

- Students can make payments to Donnelly College with cash, checks, credit cards, and money orders.
- Student payments will be recorded in Empower and two (2) receipts printed (one for the student, and one for the Daily Cash Receipts report).
- A Daily Cash Receipt report is prepared at the end of each business day to confirm and post payments received and to prepare the bank deposit.
- For Student Clubs, the Staff/Faculty representative for each club is responsible for managing all income and expenses related to the club, and the Business Office is responsible for posting these funds to the assigned accounts.

2) Donations and Grants Received

- Specific policies governing donations given to Donnelly College are recorded in the Gift Handling and Receipting Policy.

3) Types of Incoming Payments

- Cash – A cash receipt must be prepared for all cash received (currency and coins), indicating who delivered the cash, the purpose of the payment, and who in the

Business Office received the cash. The original copy will be given to the one delivering the cash, and a copy of the receipt will be attached to the physical cash.

- Checks – Checks are to be made out to Donnelly College and be endorsed with the Donnelly College bank stamp.
- Credit Cards – Students can pay tuition and fees with a debit or credit card, and donations can be made securely via the Donnelly website, at: <https://www.donnelly.edu/give/give-now>. See the Credit Card Policy for further information regarding the management of credit cards.

4) Handling Cash

- More than one person must account for cash received. The Student Account Specialist receives cash payments and the Director of Accounting reconciles each day's receipts to the bank deposit.
- The bank deposit must be made on a regular basis during regular business hours. No one may take bank deposits home.
- All cash and other forms of payment must be kept in a locked box and kept in the safe overnight.
- The Business Office should be supplied with adequate cash to make change for students or other customers making cash payments. The change must also be reconciled with every deposit.
- No Donnelly cash is to be used by any Staff, Faculty or Students for personal purposes.
- No one, under any circumstances, may borrow any monies from the cash box.

Security

- If a Staff, Faculty or Student is confronted with an armed assailant, or someone who proclaims to be armed, they will not resist and will hand over all monies. When out of danger, the Staff, Faculty or Student should call the authorities and then notify the Vice President of Business Affairs.
- Individuals who have access to the safe combinations should be limited and the combination changed annually or after any staff change.

Publication Info

This policy will be published on the College website.