



# NORTHERN ARIZONA UNIVERSITY

## CASH AND CHECK HANDLING SELF ASSESSMENT

Because of the relatively high risk associated with transactions involving cash, universities need to have a cash management program to safeguard cash and ensure accurate reporting of this asset. An essential element of control over cash is segregating among employees the duties of handling cash, reconciling and maintaining accounting records.

Proper cash and check handling procedures can help assure that:

- All the money due the University is received.
- All money collected is properly recorded in the financial systems.
- All money collected is properly and timely deposited.
- Reconciliations and management oversights are conducted to confirm the above.

The following list of questions is designed to help you assess the state of your departmental cash handling procedures and practices. These guidelines will align your business with NAU's [CMP 307 "Departmental Receipts and Deposits"](#) as well as best practices. Additionally, these are the types of practices that an auditor will look for when reviewing your operation. The optimal answer to each of the questions below is "Yes".

If you have any "no" responses, now is the time to make a few changes. It may be easier than you think! If you need help working through process improvements and thinking through alternatives, please feel free to contact the [Financial Controls](#) office. Additional resources such as examples of a mail log, reconciliation worksheet and procedural manuals can be found on the Financial Controls website.

	Response
<b>RECEIVED THROUGH THE MAIL</b>	
1. For payments received by mail, is a mail log maintained by hand in ink (to prevent alteration) that lists the date of receipt, amount of check, etc.?	
2. Is the mail log prepared by someone who does not participate in any other aspects of the revenue receipts process?	
3. Are checks stamped with a restrictive endorsement immediately upon receipt by the person opening the mail?	
<b>RECEIVED IN PERSON – USING CASH REGISTERS</b>	
4. Are checks stamped with a restrictive endorsement immediately upon receipt - by the cashier before putting the check in the cash drawer?	
5. Is cash counted and verified when cashiers receive their drawers?	



6. Is only one cashier able to access each cash drawer at any given time so that cash will at all times be in the possession and control of only one person?
7. Are cash drawers assigned to one person and not shared across shifts / employees?
8. Is a receipt given for all transactions?
9. Are duplicate copies of receipts retained? (ex: register tape)
10. Are voids, over-rings, etc. reviewed by a manager or a second employee? Does that person initial the register tape as proof of review?
11. Is a change fund (this is apart from a petty cash fund) issued by the Comptroller's Office used to make change for transactions?
12. Are cash register summary reports reconciled to the cash count at the close of a shift?

**RECEIVED IN PERSON - MANUAL RECEIPTS (no cash register)**

13. Are checks stamped with a restrictive endorsement immediately upon receipt by the cashier before putting the check in the cash drawer?
14. Are manual receipts issued from a bound book that has pre-numbered slips?
15. Is the original receipt given for all transactions that are conducted in person?
16. Are duplicate copies of receipts retained in the receipt book?
17. Are receipts issued in sequence?
18. Are receipt books regularly reviewed for missing receipt numbers by someone other than a cashier?
19. Are all copies of voided pre-numbered manual receipts kept in the bound receipt book?
20. Are cash drawers assigned to one person and not shared across shifts / employees?
21. Is a change fund (this is apart from a petty cash fund) issued by the Comptroller's Office used to make change for transactions?

**DEPOSITS**

22. Are receipts deposited promptly? (within 24 hours if total is greater than \$200, or at least once weekly if total is less)
23. Are all funds received deposited with no funds being held back for change, petty cash, etc.?
24. Are deposit slips prepared in at least duplicate form? (one copy retained in the department, the second copy to the Bursar's Office)
25. Do you use either a locking bank bag or a sealing plastic tamper proof bag for deposit? (interoffice envelopes are not considered tamper proof)
26. Do two people accompany the departmental deposit from the office to the nearest depository?

**UNIVERSITY AND DEPARTMENTAL POLICIES AND PROCEDURES**

27. Do you perform background checks and fingerprinting on all new employees who handle revenue?
28. Do all personnel who handle revenue have access to, and knowledge of, the applicable university policies?
29. Are departmental policies and procedures current and in writing regarding how the department is to comply with university requirement regarding the receipt, recording, safeguarding, deposit, and reconciliation of receipts of all kinds?

**MANAGEMENT OVERSIGHT AND RECONCILIATION**

30. Are cash funds such as change funds or petty cash periodically counted on a surprise basis by an employee from outside of the department – such as an auditor, financial controls specialist, etc.?
31. Are all resulting discrepancies investigated and resolved by management?
32. Are all cashier overages and shortage recorded in a log that is regularly reviewed by management?



33. Are cash overages and shortages recorded in the financial system?
34. Does management investigate all substantial variations from norms such as cash register voids, no sales, refunds, errors, fluctuations in revenue levels, etc.?
35. Does someone independent of the revenue receipt process reconcile receipts records (receipts, mail log, and cash register) to the deposit slip?
36. Is the payment receipt to deposit reconciliation regularly reviewed by management?
37. Does someone independent of the cash receipts process reconcile payment receipts to receipt records (receipts, mail log, and cash register) on a daily basis?
38. Is the payment receipt to receipt record reconciliation regularly reviewed by management?
39. Does someone independent of the cash receipt process reconcile receipt records (receipts, mail log, and cash register) to the deposit slip?
40. Is the receipt record to deposit slip reconciliation regularly reviewed by management?
41. Are visible indicators of management reviews (such as initials and dates) evident on reconciliations and other reports?

## **SAFEGUARDING OF ASSETS**

42. Are adequate physical facilities such as a safe or locking drawer provided for safeguarding revenue?
43. Is revenue always safeguarded when unattended – including end of shift, lunch, bathroom breaks, etc.?
44. Are receipt books safeguarded when unattended including at night away from any funds awaiting deposit?
45. Are safe combinations and keys to lockboxes restricted to a minimum number of employees?



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Please enter any comments in the box below. Please be sure to reference the question number.

## Questionnaire Completed By :

First Name:

Last Name:

EmplID:

Department:

Date Completed:

Please enter 3 letter code from [this list](#).

*Please use format mm/dd/yy*

By submitting this form, I am attesting that all information given is correct and whole to the extent of my knowledge.

*Please submit only once – this process may take a moment.*

To reset the entire form, including comments, click here: