OFFICE OF RECORD: Business and Administrative Services
INITIATED BY: Timothy G. Henderson
POLICY #: V-B-04
EFFECTIVE DATE: April 6, 2006

CASH RECEIPTS AND PURCHASES

POLICY

Due to the nature of services provided by the institution and to facilitate operations, it is necessary for certain departments to have responsibilities for handling cash or to make small purchases with personal funds. All monies received by the university are considered university funds.

CASH RECEIPT PROCEDURES

In order to safeguard university funds, all cash and checks shall be deposited at the Student Accounts/Cashier's Office weekly, at a minimum, and daily if the remitted amount is over $500.

1. Certain restrictions and guidelines must be followed in order to provide adequate control and documentation of university cash receipts.

2. Monies of $500 or more shall be deposited daily with the Student Accounts/Cashier's Office. (SD Administrative Rule 06:03:01)

3. Monies of less than $500 shall be deposited weekly with the Student Accounts/ Cashier's Office. (SD Administrative Rule 06:03:01)

4. The responsible person for each account is required to monitor and verify that all deposits of each office are made on a timely basis. The cashier shall provide a copy of the receipt to the account owner.

5. The account owner is responsible for logging and monitoring the cash receipts and deposits. A monthly reconciliation shall be prepared detailing the pre-numbered cash receipts maintained by the department with the cash deposit receipt provided by the Student Account/Cashier's Office and reported on system accounting reports.

6. Any salaried state officer or employee who shall fail or refuse to pay into the Student Accounts/Cashier's Office any and all money, compensation, fees, gratuities, or other property received by him for: 1) the performance of any duty or duties connected with his office, 2)in any manner paid to him as such officer or employee by reason of his holding such office, or 3) employment as is provided in this chapter, and within the time provided there in is guilty of theft.

(SDCL 4-3-9)

CHANGE FUND PROCEDURES

At times, it may be necessary to make small change on behalf of the institution when it would be inefficient or ineffective to transact this business with the Student Accounts/Cashier's Office in Surbeck. To meet this need, a change fund may be established as outlined in the Change Fund Procedures below.

1. A change fund may only be established by a department by submitting a written request to the Director of Administrative Services and should be for no more than $50.00 unless specifically approved.

2. Change funds are to be used for the purpose of doing money exchange only and should not be used for purchases of any kind. Petty cash purchases may only be made through approved petty cash funds.

3. The custodian of the fund is responsible for the fund, its safekeeping and adherence to SDSM&T Cash Received handling policy and procedures. Receipts or statements shall be obtained that substantiate use of the cash.

4. Change funds are subject to audit in the total amount, which shall be on hand in the form of either cash or receipts.

CASH PURCHASES PROCEDURES

To facilitate the reimbursement of small purchases, $50 or less, a petty cash fund has been established at the Students Accounts/Cashier's Office. Certain restrictions and guidelines must be followed in order to provide adequate control and documentation of petty cash purchases.

1. Purchases totaling no more than fifty dollars per day, per department may be made and reimbursed through a petty cash receipt. These forms are available at the Cashiering and Business Office.

2. Items that are on state contract must be purchased from the vendor awarded the contract. If there are questions about items available on state contract, the Purchasing Department should be contacted prior to making a purchase.

3. The petty cash receipt must be filled out completely, including the account number to be charged, and must be accompanied by an acceptable business receipt. An acceptable business receipt is one on which the vendor describes each item purchased and the cost of each item. A cash register tape with handwritten detail of items purchased is not acceptable.

4. Inform the vendor that the purchase is for SDSM&T so tax is not charged on the purchase. A tax exempt certificate for SDSM&T may be obtained from the SDSM&T Purchasing Department if the vendor does not already have one. This tax exempt certificate replaces the tax exempt number used previously.

5. The vendor receipt detailing the purchase to be reimbursed must be signed as approved by a person having spending authority on the account to be charged. The account number to be charged should also be indicated on the vendor receipt.

6. Petty cash reimbursement requests must be completed within 60 days of invoice date.

See SDSM&T Cash Receipts Processing Guidelines for more detailed information.