Purpose

The University maintains financial policies that comply with the Financial Management Act 1994. This policy defines and outlines the directions that must be implemented by the University relating to handling, receiving, transporting and depositing of cash and cash equivalents. It also defines roles and responsibilities related to receipt, safeguarding, reporting and recordkeeping for all University cash and cash equivalents.

University funds are monies received from tuition, contracts, grants, (delivery of) revenues from University services, state and federal funding, gifts and all other sources of revenue or expense reimbursements, whether restricted or unrestricted as to purpose of use.

Its purpose is to ensure that these important University assets are protected, accurately and timely processed, and properly reported.

This Policy does not apply to the governing of Federation University Australia Foundation funds.

Scope

This Policy applies to all staff, at all University locations, who are involved in the administration or management of University funds.
The collection and control of cash and cash equivalent are very important functions. The Finance Department is the Universities University’s primary cash handling area. Ideally, from a control perspective, the collection and controlling of cash and cash equivalent should be centralised in one location; however this is not possible nor practical due to the locations of various University Campuses.

The University has established certain basic internal control principles applying to collecting and accounting for cash and cash equivalents.

**Policy Statement**

**Required Authorisation to Collect Money**

Before undertaking any new cash and cash equivalent handling operation or activity, approval for the activity must be received from the Associate Director, Financial Accounting and Systems.

Once the requirements have been established, the Finance Directorate will communicate to the new operation how this activity will be accounted for and the procedures and controls developed.

**Revenue Collection Point**

The Finance Office is the primary cash handling area and also the liaison for identifying and working with all revenue collection points.

Deposits that are not directly taken to the bank or collected via armoured vehicle must be delivered to the relevant Finance Office at your Campus. The Finance Office will issue a receipt for the deposits received and revenue will be forwarded either directly to the bank or be collected via armoured vehicle on the arranged pick up days.

Where available and appropriate it is recommended that Closed Circuit Television cameras be installed to monitor cash counting operations.

Staff counting cash should ensure that:

- where possible, the cash count is completed in a quiet area where the counter won't be interrupted.
- where possible, the counter is an appropriate person who is not involved in the actual collection of the cash
- each denomination is counted and recorded separately
- the count is double-checked and signed off by a second person as evidence of its correctness
- A count should always be placed in the provided armaguard or ANZ Bank fast deposit bags and placed in the relevant safes overnight. In the event that bag is not sealed then a cash count should be again completed the following day.

**Separation of Duties**

The Finance Office is responsible for establishing procedures and each collection point Manager is responsible for the implementation of those procedures. They are to ensure that no single individual is responsible for collection, handling, depositing and accounting (eg: General Ledger, Billing, AR) for cash received by that unit. At least two qualified individuals must be assigned to carry out key duties of the revenue handling process.

Revenue, cash and cash equivalent activity should be reconciled to the bank statements monthly by a nominated Finance officer. The reconciliation should be reviewed by someone independent of revenue and cash handling or recording functions.
The following responsibilities should be distributed among personnel so one person is not responsible for all aspects:

- **Opening Mail**: Where practicable, all inward mail, whether received by post or hand-delivered, will be opened in the presence of two staff members assigned for the purpose (one not responsible for any duty relating to the receipting of monies), preferably in a secure location.

If only one staff member is present, that person **shall not be responsible for any duty relating to the receipting of monies**.

- **Endorsing Cheques**
- **Preparing Deposits**
- **Reconciling to GL transactions**
- **Billing and Collection duties**

**Accountability of Individual Revenue Collection Points**

Collection points are responsible for complying with the policies outlined. Each Point is responsible for developing processes for revenue, cash and cash equivalent collection under that revenue collection point control that identify:

1. Which individuals receive revenue, cash and cash equivalents and for what purpose
2. Where revenue, cash or cash equivalents are at all times; and
3. The steps required from the beginning to the conclusion of a revenue collection process

Each individual who receives or has custody of University revenue, cash and cash equivalents must be held responsible for revenue cash and cash equivalents under his or her control.

The Finance Office is available for consultation and review of processes.

**Physical Security, Safekeeping of Funds & Data Transmission Security**

All forms of revenue, cash and cash equivalent should be physically protected through the use of safes, locked cash drawers, cash registers, etc.

It is the responsibility for each Revenue Collection Point Director, Manager or Supervisor to establish provisions and processes that ensure at all times:

1. Individuals who handle revenue, cash and cash equivalents are protected from physical harm.
2. Revenue Cash and cash equivalents in the custody of the collection point are protected from loss.
3. Technology resources involved in processing revenue, cash and cash equivalents (i.e., hardware and confidential personal information) are protected from loss, corruption, or compromise to confidentiality.
4. Any amount of cash on hand that exceeds $1000 must be maintained in a heavy safe during business hours. Amounts less than $1000 should be maintained in locked cash drawers, registers.
5. Cash pick-ups and transfers by University employees should not conform to any regular day time or schedule. Such transfers should be irregular, subject to change at any given time, with times only known to a select few.

Transfer of accountability must be recorded (name, date, time and amount) if the deposit is not being transported by the person preparing the deposit. Transport logs should be maintained for all units. All documents should be maintained in such a manner as to provide suitable audit trail for all transactions.

Advice is available from the Finance Section if required.
## Definitions

<table>
<thead>
<tr>
<th>Terms</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Campus</strong></td>
<td>A University campus, University managed Department or other official University location.</td>
</tr>
<tr>
<td><strong>Revenue Collection Point (assignment of responsibility):</strong></td>
<td>Revenue collected by cashiers at these locations receipt directly into the myStudent Centre or myFinance system. An electronic receipt is produced and revenue is banked by these points.</td>
</tr>
</tbody>
</table>
| **Primary Revenue Collection Point**       | • Mt Helen  
• SMB  
• Arts Academy  
• Horsham  
• Gippsland |
| **Secondary Revenue Collection Point**     | Revenue collected by authorised collectors are receipted via the following methods: Point of Sale (POS) System, Cash Register and Manual Receipts. |
|                                           | Revenue collected by secondary collection point must reconcile banking and provide banking paperwork. Revenue from these points is either collected by Armaguard or delivered to the Finance Office for banking. All reconciliation’s and banking paperwork must be delivered to the Finance office for receipting into a University receipting system. |
|                                           | • Conference & Catering  
• Unisports  
• Library  
• FedUni Living  
• Print Centre  
• Hairdressing & Beauty Skills Centre  
• Food Skills Centre  
• Bookshop  
• Exercise Rehabilitation  
• SMB Gym  
• Wimmera Trade Centre |
| **Notes and Coin (“Cash”)**                | Notes and coin are the most liquid of assets and must immediately and at all times be protected against loss.                                |
| **Money Orders**                           | Money Orders are financial instruments issued by a bank or other financial institution allowing the individual named on the order to receive a specified amount of cash on demand. |
| **Travellers Cheques**                     | Travellers Cheques are pre-printed, fixed-amount cheques designed to allow the person signing to make an unconditional payment to someone else as a result of having paid the issuer (usually a bank) for that privilege. |
| **Cheque**                                 | The term “cheque” means a written order directing a bank to pay money.                                                                   |
| **Drafts**                                 | A cheque drawn by one bank against funds deposited into its account at another bank, authorising the second bank to make payment to the individual named in the draft. |
### Terms and Definitions

<table>
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<th>Terms</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Debits and Direct Deposits (DD)</td>
<td>DD transactions are electronic payment instructions either to debit or credit a deposit account at a participating Financial Institution.</td>
</tr>
<tr>
<td>Wire Transfers</td>
<td>Wire transfer or credit transfer is a method of electronic funds transfer from one person or institution (entity) to another. A wire transfer can be made from one bank account to another bank account or through an office, such as Western Union. Wire transfer systems are intended to provide more individualised transactions than bulk payments.</td>
</tr>
<tr>
<td>Credit and Debit Cards</td>
<td>Credit cards issued by commercial banks and financial institutions under the Visa and MasterCard brands and by independent companies American Express (AMEX) permit University clients to pay for services and goods by drawing against lines of credit granted by the card issuing companies. PIN-based Debit Cards issued by financial institutions rely on connectivity to various debit card banking networks. These cards permit University clients to pay for services and goods by drawing against available funds resident in the payer’s chequeing or savings account at the time of the payment.</td>
</tr>
<tr>
<td>Cash Float</td>
<td>A starting cash amount put into a cash register, at the beginning of the day or week to allow changes to be given to customers</td>
</tr>
<tr>
<td>Electronic Bill Payment Services (Australia Post &amp; Bill Pay)</td>
<td>Online facility provided by some banks or merchants that enables customers to receive and pay bills through a computer, telephone or an Australis Post outlet</td>
</tr>
<tr>
<td>Official University Receipts</td>
<td>Receipts may be produced either manually or electronically. Manual receipts are supplied only by the Finance Section in booklet form and are serial numbered. Electronic receipts are produced at the point of receipt or upon request by Campus Solutions or myFinance receipting systems, Point of sale terminals or cash registers approved by the Chief Operating Officer/CFO.</td>
</tr>
<tr>
<td>University Funds</td>
<td>Are monies received from tuition fees, contracts, grants and consultancies (delivery of) revenues from University services, State and Federal funding, gifts and all other sources of revenue or expense reimbursements, whether restricted or unrestricted as to purpose of use.</td>
</tr>
<tr>
<td>Revenue Collection Point</td>
<td>Any Department or area receiving any form of revenue.</td>
</tr>
</tbody>
</table>

### Roles and Responsibility

#### Authorised Collectors

1. Only Authorised Collectors are permitted to collect revenue and issue official receipts on behalf of the University.

2. An authorised collector is a full-time or part-time/casual staff/ member of the University, who has been nominated by a Executive Dean, Director or Manager and has been approved by the Associate Director, Accounting & Systems to collect revenue on behalf of the University.

3. The authorised collector will be required to accept responsibility to collect revenue on behalf of the University according to the University revenue collection procedures and taxation requirements.

4. Authorised collectors are required to acquaint themselves with what sources of income are GST-free and what are GST-payable for their collection point. They should seek information on the application of GST to revenue to be collected at their collection point from their supervisor or from Finance.
The University may perform police checks prior to employing cashiers, or assigning regular cash handling and receipting responsibilities to an individual/s involved in other critical cash handling positions.

The University must seek an explanation for any reported felonies, misdemeanors, or judgments that were due to fraud related to cash, stocks, bonds or any other financial transactions before hiring or upon learning such information. Any individual with revenue collection responsibilities must continuously maintain a clear status. If an employee with revenue collection responsibilities is convicted of a crime, that conviction must be reported to the Human Resources area. If a revenue collection employee, loses this status his or her cash handling responsibilities must be terminated.

Finance
1. The Chief Operating Officer/Chief Financial Officer is responsible for Revenue, Cash and Cash Equivalent Policies and Procedures and also for providing general coordination and assistance to all campuses.
2. The Chief Operating Officer/Chief Financial Officer, Associate Director Financial Accounting and Systems or nominated person is responsible for managing all relationships with organisations that provide banking services to the University. Opening and closing accounts when requested by authorised campus employees and maintaining an inventory of authorised University bank accounts.
3. The Chief Operating Officer/Chief Financial Officer or Associate Director Financial Accounting and Systems provides relevant and appropriate information to insurance carriers concerning University cashiering practices and procedures.

Campus Collection Points

Campus Location Units
1. Each Dean, Director or Manager is responsible for establishing procedures to safeguard campus cash handling activities, in accordance with the policies established. The Dean, Director or Manager may delegate responsibility for oversight of all revenue collection operations on the campus to a designated Revenue Collection Co-ordinator.
2. The Chief Operating Officer/Chief Financial Officer, is responsible for implementing local procedures to comply with this policy and for establishing criteria for granting all variances from Policy and Procedures when verifiable mitigating controls exist.

The Finance Officer taxation and treasury along with the Manager, Financial Services are responsible for:
• Maintaining a liaison with authorised collectors concerning revenue, cash and cash equivalent handling matters
• Categorising revenue collection points and individuals performing functions related to revenue, cash and cash equivalent handling accounting.
• Establishing operating procedures in accordance with this Policy and Procedures
• Reviewing and co-ordinating all proposed new or modified revenue, cash and cash equivalent handling related applications, revenue recording equipment, or methods of transporting cash.
• Performing an annual review of compliance, and informing the Chief Operating Officer/Chief Financial Officer and or Associate Director Financial Accounting & Systems of risks associated with each campus revenue collection points.
• To ensure that all University collection points processing credit or debit card transactions receive ongoing training regarding the data security requirements for handling cardholder data and that such units are complying with the credit card data security requirements for their operating environment.
• To review credit card and internet payment gateway charges and qualification performance and to address problems with merchants as they arise to ensure the most cost-effective use of services.
Managing University Bank Accounts

The University must implement and maintain an effective internal control framework over the establishment and management of bank accounts to ensure balances are accurately reflected in the financial records and bank accounts are operated efficiently and effectively.

Annual Review of Bank Accounts

As a Public Sector Agency, the University must have as few banking institutions and bank accounts as practicable. The number of bank accounts and institutions used for banking should be reviewed at least annually by the Chief Operating Officer/Chief Financial Officer.

The rationale for the number of bank accounts should be reviewed on the basis of: Efficiency, cost and risk.

Annual Audit Confirmation

Audit bank confirmation requests will be undertaken on a timely basis for all bank accounts as directed by the University's external auditors.

Opening, Modifying and Closing of Bank Accounts

Bank accounts shall only be opened with express written authorisation in accordance with the Delegations-Contract, Financial, Staffing and Tender Policy (Vice Chancellor and President and Chief Operating Officer/Chief Financial Officer jointly) and must be reported to Finance Committee.

The Associate Director Financial Accounting & Systems can sign all official bank forms (including Master Authority), on behalf of the University, to affect Finance Committee approved additions and modifications to University bank accounts.

1. Bank accounts should be opened with the University’s contracted banking services provider where possible.
2. Bank accounts can only be opened in the name of the University.
3. Faculties/Sections are not to enter into any electronic banking arrangements, unless authorised by the Associate Director Financial Accounting & Systems. Faculties/Sections identifying a need to take advantage of electronic banking should apply in writing to the Associate Director Financial Accounting & Systems.
4. Bank accounts shall only be modified with express written authorisation in accordance with the Delegations-Contract, Financial, Staffing and Tender Policy (Vice Chancellor & President and Chief Operating Officer/Chief Financial Officer jointly) and must be reported to Finance Committee.
5. Bank accounts shall only be closed with express written authorisation in accordance with the Delegations-Contract, Financial, Staffing and Tender Policy (Vice Chancellor and President and Chief Operating Officer/Chief Financial Officer jointly) and must be reported to Finance Committee.

Bank Reconciliations

The University holds a number of bank accounts that are automatically swept into the University’s operating account daily, whilst these accounts are not formally reconciled the underlying transactions are reconciled as part of the reconciliation process undertaken on the accounts where the funds are ultimately deposited. The University’s Operating account is reconciled on a monthly basis.

1. Bank reconciliations must be signed by the officer responsible for preparing the reconciliation and countersigned by an independent reviewer.
2. The reconciliation must include the identification of all items in the reconciliation and corrective action required.

3. Checks must be made of outstanding items on the reconciliations of the previous reporting period to ensure a speedy resolution.

4. The original reconciliation should be filed and made available for audit purposes as required.

General

There shall be at least two signatories to every bank account. All account withdrawals and transfers require the authorisation of at least two signatories with delegation in accordance with the Delegations- Contract, Financial, Staffing and Tender Policy.

- Action should be taken to contact the payee of all cheques un-presented after 90 days, and request that the cheque be promptly presented. Where an un-presented cheque has been lost by the payee, then the cheque should be cancelled by way of a stop payment, and a new cheque issued in accordance with the Accounts Payable procedures.

- A register of bank accounts and facilities, listing all relevant information, will be maintained by the Associate Director Financial Accounting & Systems.

- University staff shall not mix private monies with University funds under their control. Staff cannot cash cheques for any person out of University funds.

- No University staff member shall keep, or permit to be housed, any private monies or documents in an official safe or strong room, or lodge or permit to be lodged, private monies in an official University bank account.

EFTPOS Terminals and Online Payment Considerations

The following facts must be considered when deliberating whether to approve a request for designation as a new campus Merchant:

- volume of transactions
- Which cards will be accepted?

Does the Unit have access to:

- a telephone line, the internet for online payment processing options?
- secure storing, excellent record-keeping practices and compliance with privacy standards and similar regulatory requirements?

Receipt Form to be Used

Deposits should be recorded online using Campus Solutions Department Receipts, Campus Solutions Student Payment Receipts and myFinance Express Deposits and Cash Drawer Functions.

The manual receipt book function is to be used in emergency situations or for forwarding information to the main cashiering office.

Money Deposited Intact

Money should be deposited promptly and Intact to the primary revenue collection point. *Cashing cheques* from University deposits, borrowing *cash* for personal use, *lapping* receipts to cover shortages in cash receipts, *withholding cheques* for deposit in order to float cheques, the *pooling* of personal and University funds, and *modification* of cash records are all serious offences and may result in immediate dismissal from employment and/or prosecution.
University Policy

In the Event of A Robbery

Refer: At your request the Risk, Health and Safety Department will assist in devising specific procedures for your area.

Supporting Documents

Manual Receipt Processing Notes
EFTPOS Terminal Processing Notes
Receipting & Depositing Foreign Currency Processing Notes
Payment Credit Industry (PCI) Data Security Standard (DSS) Procedures
Australia Accounting Standards
Financial management Act 1994
Revenue, Cash and Cash Equivalent Collection Procedures
Fraud & Corrupt Conduct Control Policy
Daily Cashflow Practice Notes

Legislative Context

Financial Management Act 1994

Implementation and Communication

The Revenue, Cash and Cash Equivalent Collection Policy will be communicated throughout the University via:

1. Announcement on the FedNews website;
2. ‘Recently Approved Documents’ webpage to alert the University-wide community of the approved Policy;
3. Information/Training Sessions; and/or
4. Inclusion in the University's online Policy Library;
5. Distribution of e-mails to relevant University Staff and Stakeholder.

Forms/Record Keeping

<table>
<thead>
<tr>
<th>Title</th>
<th>Location</th>
<th>Responsible Officer</th>
<th>Minimum Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armaguard Collection Summary</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
</tbody>
</table>

Warning - Uncontrolled when printed! The current version of this document is kept on the FedUni website.
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<th>Responsible Officer</th>
<th>Minimum Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>FedUni Approved Collector of Revenue Nomination Authorisation</td>
<td>Mt Helen</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>General CreditCard Voucher</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Manual Receipt Book Request &amp; Issue Record</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Manual Receipt-Cash Register Revenue Collection Reconciliation</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Daily Takings Summary</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>mySC Register Balance Sheet</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Foreign Currency Deposits</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Reconciliation Discrepancy</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Safe Custody Transfer</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Authorisation for Access to ANZ OnLineRemote Banking System</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>Accounts Receivable Deposit List</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>ANZ Company Account Change Authority</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>CreditCard Refund Request</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>7 years</td>
</tr>
<tr>
<td>CreditCard Telephone Authorisation Form</td>
<td>Various</td>
<td>Chief Operating Officer/CFO</td>
<td>Destroyed immediately once transaction has been completed</td>
</tr>
</tbody>
</table>

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