



STRANMILLIS UNIVERSITY COLLEGE
A College of Queen's University Belfast

Bank and Cash Financial Procedure

Version No:	Reason for Update	Date of Update	Updated By
1	Updating of the Procedure	October 2014	Finance Office
2	Date for review reached	October 2018	Finance Office
3			
4			
5			
6			
7			

Please note, at October 2018, the Finance Office is investigating the potential to avail of a CPD Cash in Transit Services Collaborative Contract.

Contents

1.1	Introduction	2
1.2	Bank Accounts in Operation	2
1.3	Maximising Return on Surplus Funds	2
1.4	Treasury Management	2
1.5	Cash Flow Forecast.....	2
1.6	Internet Banking	2
1.7	Departments Routinely Receiving Payments.....	3
1.8	Unanticipated Receipts within Other Departments.....	3
1.9	Payments received by Post	3
1.10	Storage of Cash and Transfer of Lodgements to the Bank	4
1.11	Security of Cash in Transit and Financial Stationery.....	5
1.12	Storage of Financial Stationery	5
1.13	Kalamazoo Receipts, Cheques and Lodgement Books	5
1.14	College Purchasing Cards	5
1.15	Payment Requests Signing	5
1.16	Disbursement of Payments.....	6
1.17	Direct Debit Receipts and Payments	6
1.18	Preparation and Review of Bank Reconciliations.....	6
	Appendix A – List of Authorised Cheque Signatories	7
	Appendix B – University College Online Banking User Details	8

1.1 Introduction

The Finance Department has overall responsibility for the management and security of cash within the University College.

Opening/Closing of College Bank Accounts

No department or student organisation within the University College may open a bank account in the College name or any other name for College business. Prior written authorisation to open any new University College bank accounts must be obtained from the Principal. The Principal must also give written permission to close a University College bank account.

1.2 Bank Accounts in Operation

A list of all University College Bank Accounts is held by the Head of Finance.

1.3 Maximising Return on Surplus Funds

The College has a policy of maximising the return on any cash not being used for operations. The main College current account operates with an automatic sweep facility with any funds greater than £10k being moved to an interest bearing call account on a daily basis. In addition, the College makes use of deposits which also earns interest.

1.4 Treasury Management

Please refer to the University College Treasury Management Policy.

1.5 Cash Flow Forecast

A cash flow forecast is prepared taking into consideration the following:

- Expected receipts
- Expected routine expenditure
- Expected capital expenditure

The cash flow forecast is prepared based on the profiled annual budget adjusted for:

- Non-cash items e.g. depreciation
- Expected adjustments for cash receipts and payments which differ from the budget profile e.g. Halls and Tuition Fee Income and Rates
- Expected capital expenditure
- Related capital grant receipts

Actual cash holdings are compared against forecast and the cash flow forecast updated on a regular basis by the Head of Finance, Finance Manager and Assistant Accountant who investigate variances between actual and forecast balances.

1.6 Internet Banking

The College currently has an online banking facility which permits the review of bank statements, downloading of account transactions and the release of approved payments. Any such payments are approved in advance in accordance with the bank mandate.

Access to the facility is password protected and restricted to key individuals as determined by the Head of Finance. Permissions available to each person are dependent upon their respective roles and are set to ensure that appropriate segregation of duties is in place – see Appendix B

1.7 Departments Routinely Receiving Payments

1.7.1 Finance Department

Ideally all payments (other than those noted in 1.7.2) received from staff, students and visitors/customers - both in person or via the post - should be received by the Finance Department so that:

- a receipt can be issued to the person paying,
- the payment can be securely locked away in accordance with the Colleges insurance cash handling obligations and safe cash holding limits – see section 1.10,
- checks can be made to ensure that all income due is received,
- staff are protected from the possibility of cash and cheques going missing and against allegations that payment has been misappropriated.

The Halls Office is also authorised to receive certain payments connected with Hospitality, Accommodation and Conferencing Services related activity.

1.7.2 Other Departments – Routine Receipts

Certain other departments outside Finance routinely receive payments. These Departments are

- Library and Learning Resources
- Lifelong Learning and Continuing Professional Development.
- Hospitality, Accommodation and Conferencing Services including Halls Office and all catering outlets

Supplementary procedures are in place where a department operates cash registers. Any proposed changes to existing cash handling systems or requirement for a new cash handling system in these or any other department must be agreed with the Head of Finance prior to being implemented.

1.8 Unanticipated Receipts within Other Departments

On the rare occasions when a department unexpectedly receives payment by cash or cheques from any source, these funds must be forwarded as soon as practicable after receipt, to the Finance Department for receipting, secure storage and lodgement.

1.9 Payments received by Post

Other departments within the College have an important role in generating income for the College e.g. Lifelong Learning.

However, in order to safeguard staff responsible for handling incoming post and College resources, customers must be discouraged from making payments by cash through the post.

Special arrangements are in place for the recording of payments received by post which apply to the opening of post received at Halls Office and Main Reception only. Post must be opened in the presence of two people immediately upon receipt and payments received recorded in a post received log book. Both persons must initial and date the log book immediately after the post is opened to evidence their

involvement in the process. The payments received are then immediately receipted (Halls Office for post received there and in Finance for post received at Main Reception) and the supporting letter/remittance advice, the receipt and the log book are then reviewed and the log book initialled by an independent person within Finance or Halls Office to validate that all monies received by post have been receipted and checked.

1.10 Storage of Cash and Transfer of Lodgements to the Bank

The following limits for the storage of **cash** in College safes are currently in operation:

Location	Safe Type	Safe – Cash Limit
Finance – Main Building	Stratford Stronghold	£3,000
Principal's Office – Stranmillis House	Chubb	£2,000
Learning Resources	Stafford	£2,000
Halls – Cashiers Office	Lever	£2,000
Halls – Office of Deputy Hospitality, Accommodation and Conferencing Services Manager	Stafford	£2,000
Halls – Office of Head of Hospitality, Accommodation and Conferencing Services	Chubb	£2,000
Halls – Catering Office	Sentry	£2,000
Halls – Betty's	Sentry	£2,000
Student Union	Stratford Stronghold	£3,000

Staff responsible for the handling and lodging of cash are aware of the cash holding limits and of the need to make additional lodgements, if necessary, so that these limits are not breached. If it is not possible to make a lodgement e.g. unexpected funds received after bank opening hours, cash received awaiting lodgement may need to be stored in more than one safe to comply with the above safe cash holding limits. A lodgement must be made up prior to the cash holding limit being exceeded and stored securely in the departmental / College safe(s) until it can be safely lodged. These limits do not apply to cheque payments.

The College's insurance policy provides for the following thresholds relating to the transit of cash both on campus and on route to the bank:

Amount of Cash in Lodgement(s)	No. of Able Bodied Persons Present
Up to £2,999	One able bodied person
£3,000 - £4,999	Two able bodied persons
£5,000 – £6,999	Three able bodied persons
Over £7,000	Professional Security Company

In addition:

- the College is not insured for cash in transit in excess of £7,000

The Finance Office and Halls Office alone have responsibility for arranging their own lodgements.

If the limits are exceeded due to the unanticipated receipt of a large amount of cash, immediate action is required to store the funds securely in separate safes until an emergency bank lodgement can be arranged. Recording of these arrangements must be made in advance so that demonstration of compliance with this Procedure can be demonstrated.

1.11 Security of Cash in Transit and Financial Stationery

No cash can be transferred via internal or external mail. All cash deposits, apart from those lodged directly to the bank on behalf of Halls Office, should be hand delivered to the Finance Office, either by an individual designated by the Head of Department or by the Security Supervisor (or designated security person).

1.12 Storage of Financial Stationery

It is important that financial stationery is securely stored to guard against potential misuse.

1.13 Kalamazoo Receipts, Cheques and Lodgement Books

All used, currently in use and stocks of unused Kalamazoo receipts, cheques and cheque books and lodgement books must be securely stored in the Finance Office. Only authorised Finance Office staff can remove the current cheque and lodgement books from their secure storage location, and will replace them immediately after use. Any concerns over the security of any financial stationery should be brought to the attention of the Head of Finance/Finance Manager.

1.14 College Purchasing Cards

A number of College staff have been issued with a College Purchasing Card (PCard) which must be kept securely within the department in which the staff member is based.

A separate Procedure relating to the Use of Purchasing Cards has been developed and must be adhered to by all staff issued with a PCard.

1.15 Payment Requests Signing

All Payment Requests produced for payment must be approved for payment by any two of the authorised signatories to the College bank accounts (Appendix A). Payment Requests should be signed only after each signatory has reviewed the appropriate supporting documentation such as invoices, travel claims etc.

Each piece of supporting documentation should be initialled and dated in the 'Paid' box stamped on to the supporting paperwork, by each person signing the associated Payment Request.

1.16 Disbursement of Payments

The College actively encourages the payment of supplier invoices, staff and student travel claims etc. by BACS rather than cheque. Ideally cheques/BACS Payment Requests should be signed off within the Finance Department so that any queries can be promptly resolved. However it may be necessary in exceptional circumstances for cheques/BACS Payment Requests be signed outside the department. Once the relevant signatory has signed the cheque/BACS Payment Request, it should be returned by them in person to the Finance Department. The Purchase Ledger Clerk within the Finance Department then arranges to post the cheque to the relevant supplier. For BACS payments an e-mail will be sent automatically by the accounting system when the BACS payment is transmitted to the payee's nominated e-mail address advising that payment has been made.

1.17 Direct Debit Receipts and Payments

To reduce administration and promote secure transfer of funds from customers, the College seeks to increase the number of customers who make payment directly into the College bank account.

The College does, however, seek to keep to a minimum the number of payments that are taken directly from the College bank account by suppliers by Direct Debit.

Advance permission of the Head of Finance with the countersignature of another cheque signatory will be required before any new direct debit payment arrangement can be set up.

Records of all direct debit payments arrangements/agreements will be maintained by the Administrative Officer Finance – Cash Management.

1.18 Preparation and Review of Bank Reconciliations

Bank reconciliations will be prepared on a monthly basis for all bank accounts. Reconciliations will normally be prepared by designated members of the Finance team in line with the Finance Department period-end close down timetable. The bank reconciliations should be reviewed by the Head of Finance/Finance Manager on a timely basis after their preparation. Both preparer and reviewer will sign and date the reconciliation.

Any unusual reconciling items will be investigated during the process and in rare cases when adjustments are required, these must be approved by the Head of Finance/Finance Manager. Annually the Head of Finance/Finance Manager will consider the course of action to be taken in relation to all cheques that are more than 6 months old and not yet presented to a bank.

Dr Anne Heaslett
Principal

Date: October 2018
Review Date: October 2021
For distribution to: All Staff

Appendix A – List of Authorised Cheque Signatories

Dr Anne Heaslett	Principal
Ms Audrey Curry	Director of External Affairs and Community Engagement
Dr Noel Purdy	Director of Research and Scholarship
Dr Patricia Eaton	Director of Teaching and Learning
Dr Ken Gibson	Director of Student and Learning Services
Ms Jo O'Boyle	Head of Finance
Mrs Christine Nesbitt	Head of Hospitality, Accommodation and Conferencing Services
Mrs Natalie Sloan	Digital & Technical Services Manager
Ms Rosemarie McQuaid	HR Manager

Appendix B – University College Online Banking User Details

Post Holder	Online Banking Role	
Head of Finance	Can enquire about users	
	Can block user and order new logon	
	Can create users	Create and approve 2 jointly
	Can allocate access to administration	Create and approve 2 jointly
	Can create payment limit - account	Create and approve 2 jointly
	Can create payments (Only to be used in a BCP situation)	Can create payments and approve alone
Finance Manager	Can enquire about users	
	Can block user and order new logon	
	Can create users	Create and approve 2 jointly
	Can allocate access to administration	Create and approve 2 jointly
	Can create payment limit - account	Create and approve 2 jointly
	Can create payments	Can create payments and approve 2 jointly
Assistant Accountant	Can enquire about users	
	Can block user and order new logon	
	Can create users	Create and approve 2 jointly
	Can allocate access to administration	Create and approve 2 jointly
	Can create payment limit - account	Create and approve 2 jointly
	Can create payments	Can create payments and approve 2 jointly
Administration Officer - Cash Management	No Administrator Rights	
	Can create payments	Can create payments
Administration Officer – Student Finance	No Administrator Rights	
	Can create payments	Can create payments
Payroll Officer	No Administrator Rights	
	Can create payments	Can create payments