

Administration Policy

Complete Policy Title: CASH CONTROL POLICY	Policy Number (if applicable): FS-01
Approved by: AVP & Chief Financial Officer	Date of Most Recent Approval: December 2025
Date of Original Approval(s): October 16, 1989	Supersedes/Amends Policy dated: March 2016
Responsible Executive: Controller	Enquiries: Accounts Receivable Inquiries acctrec@mcmaster.ca
DISCLAIMER: <i>If there is a Discrepancy between this electronic policy and the written copy held by the policy owner, the written copy prevails</i>	

SCOPE

This Policy covers the processing of cash, cheques and all electronic payments, including Point of Sale [“POS”], Virtual Terminal and E-commerce, as well as Key and Card Deposits.

POLICY

It is University policy that all deposits must be:

- Properly receipted;
- Promptly and accurately recorded;
- Promptly and completely deposited through the Accounts Receivable department (AR);
- Appropriately safeguarded; and,
- Promptly reconciled to the accounting ledgers.

GENERAL AND SPECIFIED GUIDELINES

The following principles, processes and procedures are to be adopted.

General Guidelines

- 1) All payer source documents (including invoices, registration forms, remittance advices, correspondence, etc) must be
 - (i) maintained by the respective collecting area, and/or attached in Mosaic where possible
 - (ii) used in the preparation of the deposit.
- 2) All cheques must be made payable to McMaster University.
- 3) Foreign exchange funds, including US funds, must be deposited through AR in the currency received.

Specified Guidelines

Departments must maintain appropriate written procedures, which will meet or exceed the following standards:

- 1) Segregation of incompatible functions and duties [i.e., cash handling vs. accounting].
- 2) Prompt depositing of all collections to AR.
- 3) Restriction on the use of deposit monies. In particular, funds cannot be used to pay other expenses or be distributed for any purpose prior to deposit.
- 4) Deposits which include cash should be brought in person to AR. All deposits left in the AR drop box or transmitted through University Mail Services is done at the sender's risk.
- 5) Departments must have back-up employees trained in deposit preparation.
- 6) Cash or cheques not yet deposited must be stored in a locked safe, cabinet, or locked box with restricted access.
- 7) Post-dated cheques must be treated in the same manner as regular cheques and cashed on the respective cheque date(s).
- 8) Deposits must be prepared by a person other than the person collecting the cash.
- 9) Deposit documentation must be reconciled to account statements at least on a monthly basis to ensure that
 - (i) all funds were deposited to the appropriate accounts; and
 - (ii) all funds are accounted for.

DEPARTMENTAL DEPOSITS – E-COMMERCE and VIRTUAL TERMINAL USERS

All POS, Virtual Terminal and e-commerce users must,

- (i) Be registered to use Mosaic Accounts Receivable Module,
- (ii) Receive training from the appropriate Financial Affairs office, and
- (iii) Follow the guidelines included in the [Policy for Acceptance of Payment Cards and eCommerce Payments](#)

DEPARTMENTAL DEPOSITS – CASH AND CHEQUES

The following principles, processes and procedures are to be adopted:

- 1) All cheques are scanned to bank using edeposit software. Deposited cheques are stored in the AR safe for at least 14 days prior to destruction. Reports are generated weekly of items deposited.
- 2) Deposits which include cash should be brought in person to AR. Cash is transferred to the bank by Brinks monthly. A log is kept of all cash transferred to the bank.
- 3) All deposits left in the AR drop box or transmitted through University Mail Services is done at the sender's risk.
- 4) Cash transactions still needing to be entered will be confirmed by a signed copy of the cash deposit form when dropped off to AR in person.

- 5) The deposit must be reconciled to the edeposit and cash log.
- 6) Both the deposit and the reconciliation agree to the (i) official receipt and (ii) supporting deposit back-up documents and must be reviewed by a person other than the person preparing the deposit.
- 7) Large deposit amounts should be secured in a sealed bag and be escorted to the AR office with the assistance of Security Services.

CHARITABLE DONATIONS

All cheques for charitable donations must be deposited through Advancement Services offices.

UNCLAIMED PAYMENTS

Payments received without indication of purpose and/or reason must be forwarded to AR. A list of previously received Unclaimed Payments will be available for reference by contacting Accounts Receivable at acctrec@mcmaster.ca or in Mosaic by clicking the **Mosaic Home drop down, selecting Administrative Home > Financial Reporting Hub > Accounts Receivable Queries > AR Unclaimed Payments.**

KEY and CARD DEPOSITS

Key and card deposits from students should be charged through their student account. Cash must not be collected for these charges.

OTHER RELEVANT POLICIES/DOCUMENTS

- [Administration of Petty Cash Funds](#)
- [Policy for Acceptance of Payment Cards and eCommerce Payments](#)
- [Guide for Direct Journal Entries](#)