Cash and Cheques for Deposit

University of Waterloo

- **Purpose**
- **Related links**
- **General**
- **Procedure**

**Purpose**

The University of Waterloo (“University”) accepts cash and/or cheques as a form of payment at various University locations both on account (in payment of an invoice) or for cash sales of goods or services. Once collected, these payments are required to be safeguarded until they can be deposited to a University bank account.

**Related links**

- Cash Handling Internal Controls
- Finance SharePoint Site

**General**

Cash and cheques may be collected by authorized University departments. In general, when cash and/or cheques are received by a department not authorized to prepare their own bank deposits, the department should:

- Forward all cheques to central Finance to be recorded and deposited; and,
- Deliver cash to Finance – Student Financial Services to be recorded and deposited.

Departments authorized to prepare their own bank deposits must:

- Forward all cheques received in payment of an Accounts Receivable invoice to central Finance to apply against the outstanding receivable;
- Forward all cheques received for donations to the Office of Advancement; and,
- Prepare a deposit batch in accordance with the procedure outlined below for all other cash and cheques received.

Deposits may be prepared by pre-approved departments and dropped at one of the University’s armoured car pickup locations. Departments are required to follow the appropriate steps to ensure the safe and secure transportation of the funds to the University’s financial institution for deposit.
Document/Record Keeping

Bank deposit forms, deposit bags and security pickup manifests must be accurately completed, with appropriate copies being retained to track and ensure that the funds are deposited to the University’s bank account(s). Documents may be used to investigate discrepancies or requested for audit purposes.

Armoured Car Service

To ensure the security and safe transportation of funds to the University’s financial institution, the University employs an armoured car service to provide regular pickup of prepared deposits from set locations within the University’s campuses.

Procedure

Areas permitted to collect payments on behalf of the University must ensure that they are following the Cash Handling Internal Controls outlined on the Finance website. This page outlines the appropriate controls for safeguarding assets, segregation of duties, accountability, reconciliations, and monitoring for cash handling activities.

Areas who are not authorized to prepare bank deposits

Cheques Received by Departments

All cheques received and deposited by the University must be made payable to the University of Waterloo. Any cheques received that are not payable to the University of Waterloo must be discussed with Finance - Revenue Accounting before being sent for deposit.

Cheques received in a Department represent either 1) a payment on account for an accounts receivable invoice previously sent, or 2) an up-front payment made at the time of sale of a good or service.

Payments on Account (payment of Accounts Receivable)

- Accounts receivable payments must be send to central Finance to apply against the customer account and be deposited.
- Note/circle the 6-digit invoice number(s) against which the payment should be applied.
- If no invoice number is supplied, note the 6-digit customer number and that the cheque is “For AR”.

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Up-front/Cash Sale Payments by Cheque

- For batches of more than 3 cheques, use one of the Cheque List for Deposit templates provided in the General Templates area of the Revenue section of the Finance SharePoint site to list the cheques to be deposited.
  - Separate the H.S.T. and record in the following accounts, as applicable:
    - 5220-100-100-0000-000000-2102-0000-000 = 13% HST
    - 5220-100-100-0000-000000-2110-0000-000 = 5% HST
  - Separate any USD cheques and include on a separate list for deposit. Do not use any CIBC “For Deposit Only” stamps on these cheques as they are deposited in a different bank than the CAD cheques.
  - Separate any post-dated cheques. Post-dated cheques should be sent to Finance – Revenue Accounting before the deposit date, however you must flag the cheque to indicate that it is post-dated.
  - Ensure that the list total agrees to the total amount of cheques submitted.
  - Send the cheques for deposit and a hard copy of the list for the accounting records to Finance – Revenue Accounting.
  - Upload the soft copy of the list to the Revenue SharePoint site using the file name “C_department_short_form_date” for Finance to record in the University’s general ledger accounting system.
  - Please include a contact name and phone extension for inquiries.

- For 3 or fewer cheques, write the 31-digit account number on the back of the cheque and send it to Finance – Revenue Accounting to record and deposit.
- Cheques will be deposited when received. Finance will not deposit stale-dated cheques, i.e. six months from the date of the cheque.

Cash Received by Departments

Cash received should be taken to Finance – Student Financial Services.

- Cash receipt forms should be filled out by the department and taken with the cash for deposit.
- If the cash is to pay an invoice, please indicate “for AR” and write the customer number on the cash receipt form.
- If the cash is not to pay an invoice, write the 31-digit account number on the form, separating the applicable tax amount into accounts:
  - 5220-100-100-0000-000000-2102-0000-000 for 13% HST, or
  - 5220-100-100-0000-000000-2110-0000-000 for 5% HST, when applicable.
- Finance will stamp the cash receipt form with the bank deposit number. The bank deposit number is used as your confirmation of the deposit.

Cash should never be sent through the mail. Please hand-deliver it to Finance following all of the appropriate Cash Handling Internal Controls.

Areas who are authorized to prepare bank deposits

Departments must never deposit a cheque that is received in payment of a previously-issued accounts receivable invoice. These cheques must be sent to Finance in
accordance with the procedure outlined above. Cheques in USD or other foreign currencies should also be sent to Finance along with the appropriate AFF distribution information.

For other cash and cheques received for cash sales, follow the process outlined below.

**Complete Bank Deposit Currency Distribution Form (Bank Deposit Form)**

- Complete one form for each bank deposit by entering the deposit bag/wallet number, date, location, department, currency distribution, cheque totals and appropriate signatures on the bank deposit form.
  - See Appendix A for a sample of the form and a description of the fields thereon.
- If there are multiple cheques included in the deposit, be sure to include a list of the individual cheque amounts.
  - When including cheques, please ensure the following:
    - Cheques are payable to the University of Waterloo,
    - Cheques are “current dated” (not future dated, or older than 6 months),
    - Cheques are payable in Canadian Dollars (USD cheques can be sent to Finance for deposit), and
    - Cheques have been signed by the issuer.
- Place completed deposit in deposit bag/wallet.
  - More than one deposit may be included the each deposit bag/wallet.
  - If you are including multiple deposits, ensure that each deposit remains separate using elastics or envelopes.
- Form distribution:
  - The White and Canary copies of the bank deposit form go in the deposit bag/wallet.
  - The Pink copy is kept by the department preparing the document.
  - The Goldenrod copy is sent to Finance along with the deposit backup and a hard copy of the revenue report (soft copies are submitted through SharePoint).
    - Bank deposit journal entries must be posted to SharePoint in a timely manner to ensure timely revenue and bank deposit recording within the accounting system.

**Complete Deposit Bag/Wallet**

- Multiple Deposits may be included in each bag.
- Complete the deposit bag by writing the transit number, account number, pickup location and value of deposits on the outside the bag/wallet.
  - See Appendix B for a sample of the bag and a description of the fields thereon.
- Complete the sealing tape on the top of the deposit bag by recording the preparation date and total amount of deposits included within the bag/wallet. Once completed, remove the tape and seal the bag tightly.
- Affix the sealing tape to the Finance copy of the Bank Deposit form.
• Deliver the deposit bag to the armoured car pickup location assigned to your department in accordance with the Cash Handling Internal Controls (i.e. more than one person should deliver the money). If you do not know the nearest pickup location to your area, please contact Finance.
• Persons dropping off deposit bags at pickup locations should initial their entry on the manifest described below.

Procedures for Pickup Locations

• Enter deposit and deposit bag/wallet information on the pickup manifest.
  o See Appendix C for a sample of the form and a description of the fields thereon.
• Only one manifest should be prepared for each bank for each pickup day (i.e. weekly pickups will have one form per week; monthly pickups will have one per month).
  o Please be sure to use the cardboard flap to separate the current day’s manifest from the rest of the booklet. This will ensure that information is not inadvertently carbon copied to multiple manifests.
• Have the persons dropping off deposit bags at the pickup location initial their entry on the manifest.

Amoured Car Pickup

• Once the amoured car service provider arrives, verify the ID of the driver using the provided employee picture list.
  o Updates to the amoured car service employee list will be provided by Finance on a regular basis.
• The service provider will verify the day’s manifest against the deposit bags contained in the safe, and will complete the bottom portion of the manifest.
• Form distribution:
  o The White (top/original) copy of the manifest is to remain at the pickup location
  o The amoured car service provider takes the Yellow and Pink copies (bottom two).

Other Information

• The pickup manifest should be retained for 3 months. After 3 months, manifests should be shredded.
• Deposit Bags, Bank Deposit forms, and Pickup Manifest booklets can be obtained through Finance – Revenue Accounting as required.

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## Appendix A – Bank Deposit Currency Distribution

<table>
<thead>
<tr>
<th>Deposit Bag Number (begins with “CB” followed by 9 digits. It will be longer than the spaces provided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit Preparation Date</td>
</tr>
<tr>
<td>Collection Location (Store/Building)</td>
</tr>
<tr>
<td>Department (i.e. Food Services)</td>
</tr>
<tr>
<td>Preparation and Approval Signatures</td>
</tr>
<tr>
<td>Currency breakdown (quantity of each bill denomination and total value plus total coin values)</td>
</tr>
<tr>
<td>Total Cash for Deposit (bills + coin)</td>
</tr>
</tbody>
</table>

### Bank Deposit Currency Distribution Form

- **Date**
- **Register Location**
- **Register No.**
- **Department**
- **Reconciled By**
- **Approved By**

#### Quantity Values

- $5
- $10
- $20
- $50
- $100

**Rolled Coins**

**Loose Coins**

- **Total Cash**
- **Total Cheques**
- **Foreign Currency**
- **Total Deposit**

**Total Deposit Amount (cash + cheques)**

**Total Cheques for deposit (Be sure to include a listing of the cheque amounts)**
Appendix B – Deposit Bag

Check this box.

This is the deposit bag number to enter on the Bank Deposit Form and Amoured Car Manifest

Enter: 00452

Enter: 0001902

Write pickup location and value contained in the deposit bag. (i.e. UWaterloo ECH - $1,000.00)
Appendix C – Pickup Manifest

Note: Use the cardboard extension at the back of the booklet to prevent a carbon imprint on the next deposit slip.