

UNIVERSITY OF KING'S COLLEGE



Guide to Financial
Management



Banking & Cash
Management



Cash Floats

Date Issued:
July 10, 2014

Issued by:
Director of
Finance

Approved by:
Bursar

CASH FLOATS POLICY

Purpose

The purpose of this policy is to assist in ensuring that all cash floats established within the University of King's College (King's) are operated in an approved manner and protected against loss.

Scope

This policy applies to all persons who are the custodians of a cash float and/or managers responsible for staff who perform this task.

Definition

A cash float is an amount of cash advanced to an authorized university employee (the custodian). It is used to facilitate cash transactions that typically require that customers receive change.

Policy

1. A cash float may be established upon written request from a budget manager to the Director of Finance in the Bursar's Office. The request must include the amount required, the purpose of the float and the name of the custodian of the float. The Director of Finance will investigate the need for a float and may authorize an appropriate amount. A similar written request is required to change the amount of an established float.
2. Where cash is received directly from customers in varying amounts with ongoing frequency, a cash register or point of sale system should be used.
3. Cash floats must be stored in a cash register or point of sale system during working

- hours or in a locked tin or cash drawer where a cash register or point of sale system is not used. They are to be kept in a locked cash register or placed in a locked cabinet, vault or safe for overnight safekeeping. It is the responsibility of the cash float custodian to ensure that the float is stored in an appropriate, secure location.
4. Cash floats must at all times contain the authorized and issued amount of cash; only the currency denominations can change. Funds derived from all other sources must not be added to the float and must be deposited as revenue.
 5. Each cash float transaction must involve university business and should not be used for salaries, wages or honorariums. Also, the float must not be used as a source of temporary personal loans, for cashing personal cheques, personal purchases or any other non-university purpose. Cash floats will not be used as a source of petty cash or be replenished with funds from another source. Cash surpluses or shortages must be reported immediately in writing, including any relevant details to the Director of Finance.
 6. The float must be accounted for on a daily basis as part of the daily cash register balancing and closing processes.
 7. The cash float custodian or budget manager, upon termination of employment or internal job transfer of the custodian, must inform the Bursar's Office of the name of the new custodian of the float or that the float will be collapsed and returned to the Bursar's Office.
 8. Cash floats are subject to audit at any time by authorized members of the Bursar's Office and by the university's external auditors.
 9. Both the cash float custodian and budget manager must confirm the value of the float in writing to the Bursar's Office as at March 31 of each year.