

DAU 8-4 Cash Management Policy

Policy Code	Policy Name		
DAU 8-4	Cash Management Policy		
Responsible Executive	Current Revision Date	Next Revision Date	
- Finance Department	10/ 2023	10/2027	

1. Purpose of Policy

This Policy establishes guidelines and procedures for the efficient, secure, and effective management of cash and cash-related activities at DAU. This policy aims to ensure that the university maintains proper control over its cash resources, minimizes the risk of fraud or theft, and optimizes cash flow management to support its financial operations and objectives.

2. Policy Scope

This policy applies to all departments, employees, and stakeholders of DAU who handle or who are responsible for cash-related activities. This includes cash receipts, cash disbursements, petty cash, cash deposits, bank reconciliations, and other cash-related transactions.

3. Policy Statement

The university acknowledges that cash is a valuable and vulnerable asset that requires proper control and management to minimize the risk of loss or misuse. The university is committed to complying with applicable laws, regulations, and internal policies related to cash management, and strives to optimize cash flow management to support its financial operations and objectives.

4. Policy Procedures

Cash Receipts

- All departments and employees handling cash receipts shall follow established procedures for recording, verifying, and depositing cash receipts in a timely manner.
- Cash receipts shall be deposited promptly into the designated university bank accounts, and proper documentation shall be maintained for all cash receipts.
- Cash receipts shall be reconciled with corresponding revenue records and reported to the appropriate university officials for further review and verification.

Cash Disbursements

- All requests for cash disbursements shall be supported by appropriate documentation, such as invoices, purchase orders, or other authorized forms.
- Cash disbursements shall be approved by designated university officials according to established authorization limits and procedures.
- Cash disbursements shall be made through secure and approved methods, such as checks, electronic transfers, or other authorized means, and proper documentation shall be maintained for all cash disbursements.

Petty Cash

- Petty cash funds may be established in designated departments or locations for small, authorized cash transactions.
- Petty cash funds shall be properly secured.

- Petty cash transactions shall be supported by appropriate documentation and recorded accurately, and it can be replenished and reconciled periodically according to established procedures.

Cash Deposits

- Cash deposits shall be made promptly into the designated university bank accounts and in compliance with applicable banking regulations and procedures.
- Cash deposits shall be properly documented and recorded accurately, and appropriate controls shall be in place to safeguard against loss or theft during the deposit process.

Bank Reconciliations

- Bank reconciliations shall be performed on a regular basis by designated university officials to ensure that all cash transactions are properly documented, recorded and accounted for.
- Discrepancies or irregularities identified during bank reconciliations shall be promptly investigated and resolved, and appropriate corrective actions shall be taken to prevent recurrence.

Cash Flow Management

- The university shall maintain effective cash flow management practices to optimize the use of cash resources and ensure that sufficient cash is available to meet operational and financial obligations.
- Cash flow forecasts shall be prepared and monitored regularly, and appropriate measures shall be taken to manage cash inflows and outflows effectively, such as managing payment terms, negotiating favorable banking arrangements, or implementing cash concentration techniques.

Compliance

- All departments and employees of the university shall conform to this Cash Management Policy and associated procedures, any incidents related to Cash management shall be reported to the officials in DAU.

5. Related Policies/ Documents/ Forms

DAU 8-2 Financial Policy

6. Document History

Version	Issue/ Rev. Date	Updated Information/ Summary of Changes
1	10/2023	1 st issue of the policy