

BURRELL COLLEGE OF OSTEOPATHIC MEDICINE

STANDARD OPERATING PROCEDURES

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|--|----------------------------|--------------------------|
| Cash Management and Control Process | | SOP #: FIN.004.03 |
| Effective Date | 4/3/15 | |
| Last Revision/Review | 11/16/21, 4/28/23, 5/31/24 | |

1. Purpose

To provide appropriate internal controls over cash management, to support sound and prudent management of cash balances, and to ensure the timely and accurate reporting and review of cash transactions and cash position.

2. Related Policy/Authority

Policy B3011 Fiscal Management

3. Faculty/Staff Responsibilities

Vice President of Administration/CFO is responsible to ensure that an overall structure of sound internal controls is implemented, GAAP is followed in all accounting, and that all external regulations and requirements for cash transactions are addressed in the control and reporting structure. The VP of Administration/CFO is responsible to periodically review the structure and implementation of cash management procedures and controls, and to regularly review all cash reports presented to the BCOM Investment Partners LLC Members, the Board of Trustees, the Debt Trustee, and any governmental agency or accrediting body.

The Controller is responsible for the implementation and oversight of these procedures.

4. Definitions/Abbreviations

GP = Microsoft Dynamics GP (Great Plains) software system, the central finance and human resources administrative software system

SIS = Student administration system

5. Procedural Steps

1. Cash receipts are received by check and ACH, rarely by cash.
 - a. Administrative Coordinator opens the mail and makes a list of all checks received via mail, and any hand-delivered checks or cash. If students pay in cash a receipt is prepared for the student and a copy filed. Daily check log is reviewed and approved by Controller.
 - b. Receipts via ACH: Bank provides daily report.
 - c. For both types of receipts, Associate Controller updates individual student records in SIS.
 - d. Administrative Coordinator prepares deposit for cash and checks; Controller approves deposit; HR staff member takes deposit to the bank within 24 hours (deposit held overnight is locked up by Controller).

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- e. Application fees are received via ACH through the application system AMP via front-end portal to the bank account. The Accountant receives a weekly report, and updates GP via journal entry. Assistant Controller approves the journal entry.
 - f. Student accounts are automatically created through SIS through upload from the application system AMP and are maintained by the Financial Aid Office. The Associate Controller has limited access and cannot manually create accounts or transfer transactions. The student ledger must match the OMS-level established within SIS by the Registrar.
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- 2. Cash disbursements are by check, ACH or credit card, never cash. Controller keeps check stock locked, and signs out checks by number to Accounts Payable Technician.
 - 3. Bank signatories are limited to President and VP of Administration/CFO.
 - 4. Associate Controller initiates fund transfers between bank accounts; Controller approves. Accountant prepares, and Controller approves, a cash management schedule monthly; idle cash identified by this schedule is transferred to an investment account. Financial aid account maintains a balance equal to or greater than outstanding aid disbursements scheduled for the month.
 - 5. Assistant Controller or Accountant prepares Bank Reconciliations, which are reviewed and approved by Controller.
 - 6. VP Administration/CFO prepares monthly Cash Flow Statements and investment analysis, shares with Board and management.

6. Reports/Charts/Forms/Attachments/Cross References

N/A

7. Maintenance

Office of the Controller; updated whenever an external reporting requirement is added or changed.

8. Signature

Approved by

VP Administration/CFO

5/31/2024

Date

9. Distribution List

Internal/External

10. Revision History

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| Revision Date | Subsection # | Summary of Changes | New/Cancellation/Replacement Procedure? (if applicable) | Approval Date |
|---------------|--------------|--|---|---------------|
| 11.16.2021 | 5 | Added information about SIS student portal | | 11.30.2021 |
| 4.28.23 | | Update titles and systems names | | 4.28.23 |
| 5.31.24 | | Update titles | | 5.31.2024 |