

State of North Carolina

WAYNE COMMUNITY COLLEGE

Cash Management Plan

Statutory Policy

North Carolina law, Chapter 147-86.10 of the General Statutes, requires that "all agencies, institutions, departments, bureaus, boards, commissions and officers of the State shall devise techniques and procedures for the receipt, deposit and disbursement of moneys coming into their control and custody which are designed maximize interest-bearing investment of cash and to minimize idle and nonproductive cash balances.

Plan Administration

The State Controller, with the advice and assistance of the State Treasurer, the State Budget Officer and the State Auditor, is charged with developing and implementing a uniform statewide plan to carry out the cash management policy for all State agencies, departments and institutions. The Wayne Community College Cash Management Plan outlines the policies, duties, responsibilities and requirements for cash management within the College in support of the Statewide Cash Management Plan.

The Chief Financial Officer of Wayne Community College has the responsibility for developing the College's cash management plan for approval by the President. The Plan serves as the basis for College's Cash Management Policy as approved by the Wayne Community College Board of Trustees. The Chief Financial Officer maintains the Wayne Community College Cash Management Plan.

Plan Requirements

Cash Management over Receipts:

1. Except as otherwise provided by law, all funds belonging to the State of North Carolina, and received by an employee of the College in the normal course of his/her employment shall be deposited as follows:
 - a. All monies received shall be deposited with the State Treasurer pursuant to G.S. 147-77 and G.S. 147-69.1.
 - b. Monies received in trust for specific beneficiaries for whom the employee-custodian has a duty to invest shall be deposited with the State Treasurer under the provisions of G.S. 147-69.3.

and the Attorney General. If the Collection Agency notifies the Institution that the account is uncorrectable, the debt shall be turned over to the Department of Revenue. All debts \$50 and over can be submitted for collection. Copies of all correspondence should be retained.

- 4.) For non-sufficient funds checks (NSF), the student is allowed ten (10) days to clear this debt. If the student fails to clear the debt within the allotted time frame, the student is dropped from class(es). ("Student Rights, Responsibilities and Judicial Procedures", Section III-R) The Magistrate processes non-sufficient fund checks in excess of \$400 with a criminal summons issued.
 - 5.) If this final effort should prove unsuccessful, approval to write off the account should be requested from the Financial and Administrative Services Division of the Department of Community Colleges. When requesting approval, the history of the collection attempts should be included and all correspondence should be retained at the school.
- c. Items turned over to the collection agency and NC Department of Revenue for debt set-off collection shall be maintained as open receivables for one year, at the end of which a request to write-off is submitted to the NC Community College System.
 - d. Even though all of aforementioned procedures have been followed and these accounts are written off, the student will still have to clear the debt before he or she can receive transcripts or register for future classes. A copy of all mark-offs is given to the Office of Admissions and Records and the accounts are flagged.
 - e. The College levies no interest or penalties.
5. Federal funds received for major federal assistance programs that are governed by the Cash Management Improvement Act of 1990 are drawn in accordance with the current State/Federal Agreement.
 6. All federal fund draws will be on deposit with the State Treasurer no more than two business days prior to the disbursement. Procedures for handling federal funds are:
 - a. Drawdowns for federal expenditures shall be spent within 3 working days after the deposit date.
 - b. Requests for funds are made after expenditures except at the beginning of the semester when Pell awards are extremely large; funds are requested approximately three (3) days before the expenditures are made.
 - c. The following certification shall be made with each request. "I certify, by processing this payment request and/or re-allocation, that the funds are being expended within three business days of receipt for the purpose and condition of the grant or agreement."
 7. The College accepts electronic payments, in accordance with G.S. 147-86-22, to the maximum extent possible and consistent with sound business practices. Electronic payments are received into the local control bank account. The following techniques shall be used to improve cash handling.
 - a. Amounts representing state receipts are transferred to the State Treasurer's account as soon as possible.
 - b. Federal grant payments are received by wire transfer whenever possible.

7. Delegation of Disbursing Authorities shall be kept current and must be approved by the State Controller. The current date of delegation of Disbursing Authority is March 2001.
8. The College employs the following techniques helpful in controlling disbursements:
 - a. Establishment special procedures for making large disbursements such as social security and federal withholding tax remittances to ensure payment is made on the due date and not before.
 - b. Management of inventory and supply levels to stock the minimum necessary to conduct business without disruption.

OFFICE OF THE STATE CONTROLLER

CASH MANAGEMENT PLAN REVIEW CHECKLIST

(Agency, University, Community College)

NAME OF ENTITY: Wayne Community College

CONTACT NAME: Alice W. Wadsworth

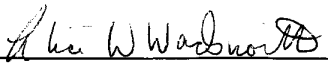
CONTACT TELEPHONE NUMBER: (919) 735-5151 Ext. 290

CONTACT E-MAIL ADDRESS: maw@waynecc.edu

OSC'S APPROVAL DATE ON EXISTING CASH MANAGEMENT PLAN: August 20, 2001

Any **NO** answers to the questions below will require your existing Cash Management Plan to be revised. Please submit this checklist, along with your revised Cash Management Plan (if required) to OSC by March 15, 2005.

CASH MANAGEMENT OVER RECEIPTS:	YES	NO
1. Are the cash receipt procedures documented in your existing plan still current?	Yes	
2. Does your current Cash Management Plan include the following:		
a. Deposit cutoff times and overnight safeguarding procedures?	Yes	
b. Any State Treasurer daily deposit requirement exceptions?	Yes	
c. Documented federal fund draw down procedures?	Yes	
d. Procedures for the acceptance of electronic payments (credit/debit cards, IGO transfers, and ACH/EFT)?	Yes	
CASH MANAGEMENT OVER DISBURSEMENTS:	YES	NO
3. Are the cash disbursement procedures documented in your existing plan still current?	Yes	
4. Does your current Cash Management Plan include the following:		
a. Bank reconciliation procedures?	Yes	
b. Procedures for ACH/EFT payments and P-cards?	Yes	
5. Are procedures documented and in place to ensure that checks are not released before supporting requisitions are approved and updated?	Yes	
6. Are the reconciliations for all bank accounts current?	Yes	

Reviewed and Approved: 
 Chief Financial Officer

February 8, 2005
 Date