TITLE: CASH MANAGEMENT POLICY

POLICY NUMBER: 600-09

REFERENCE: RCW 39.58, RCW 85.90.20

I. Purpose
The purpose of this policy is to establish sound cash management practices to ensure efficient utilization of cash in a manner consistent with the overall strategic goals of Olympic College.

II. Definition
Cash is defined as: coins, currency, checks, money orders, credit and debit card payments, and ACH payments (“wire transfers”).

III. Policy
All activity and balances in the College’s bank accounts shall be monitored by the Business Office to assess the cash necessary to meet daily obligations and ensure adequate funds are available.

IV. Delegated Responsibility
Delegated responsibility for cash management on behalf of the College is given to the Vice President for Administrative Services. Under the Vice President’s oversight, the Director of Business Services has responsibility for implementing the cash management policy and procedures of the College within the guidelines established by the Office of Financial Management (OFM).

A. The Business Office is responsible for the movement of funds between bank accounts maintained by the College. This includes, but is not limited to:
   1. Initiating all wire transfer of funds for general business purposes of the College.
   2. Appropriately funding disbursement accounts for College obligations.
   3. Moving depository funds for investment purposes of the College.
B. Efficient cash management practices shall achieving the following objectives:

1. Liquidity — maintaining the ability to pay obligations when they become due.
2. Financing — obtaining both short and long-term borrowed funds in a timely manner at an acceptable cost.
3. Reserves — maintaining adequate reserves to support the operations of the College.
4. Coordinating — ensuring that cash management goals are communicated and integrated into an internal control risk assessment plan and implemented across the campus.
5. Transfers — obtaining Board approval on inter-fund transfers that have a materiality level of $500,000 or higher.
6. Inter-fund loans — follow current Office of Financial Management (OFM) regulations, RCW 85.90.20 when recording inter-fund loans.
7. Investing — Utilize funds in a manner which secures principal with the potential for the highest investment return and conforming to the Public Deposit Protection Act (RCW 39.58), which delineates the types of investments appropriate for public agencies.