

TO: CUW Board

FROM: P & P Committee (Eric, Don, Karen, Chris, Brian)

DATE: January 29, 2010

SUBJECT: Policy and Procedure for Deposits Executive Summary

Attached is a policy and procedure for deposits with revisions based on discussions at our last meeting and input from board members. It establishes procedures for two important sources of revenue, income received through operating a sales stand and income from merchandise orders.

#### **Sales stands**

The sales stand procedure provides some simple and standard mechanisms that small organizations use to handle cash. The initial balance for the sales stand will not come from a cash withdrawal, either from the CUW account or a personal account. The initial balance is obtained through a documented transaction involving two people. When the sales stand closes, proceeds are counted by two unrelated people. After counting, the financial director provides a receipt for the cash and takes it in a locked cash box for deposit into the CUW account.

#### **Sales through orders**

World finalist t-shirt sales and pins are made through orders. Merchandise orders are handled by reconciling the initial inventory with the orders received and the funds received for them. The person receiving the orders keeps a record of them. Along with the deposit form and funds collected, a copy of the order form is sent to the financial director who also keeps a record of them. The financial director reconciles the beginning inventory, the money collected, and the ending inventory with the record of sales.

#### **Pin sales at World Finals**

Pin sales at world finals are mostly cash transactions made by one person with a bag of pins and an envelope of cash. How do we institute controls over sales of this type? The answer is obvious—it cannot be done. It will at times be necessary to sell pins at worlds. In 2008, pins had to be ordered from our supplier prior to the state tournament. That year, fewer teams than usual went to worlds and the pin orders per team were also lower than usual. Not selling pins at worlds would have meant taking a big loss. The proposal is to account for all of the pins bought from our supplier. The pins ordered in advance by teams and officials are subtracted from the starting pin count to receive a leftover pin count. The leftover pins or their cash equivalent will be turned in by the person selling pins at worlds.