

## CASH HANDLING PROCEDURES

Bayramian Hall Lobby  
Phone: (818) 677-8000, Option 1  
Fax: (818) 677-4911  
Mail Code: 8214

### PURPOSE

The purpose of this document is to establish campus protocol and procedural guidelines for the handling of cash and cash equivalents and appropriate segregation of duties in accordance with the University and ICSUAM Policies 6200.00 to 6202.00 and 6330.00 to 6330.400.

### SCOPE

This document pertains to any department, collectively and person, individually in the handling of cash or cash equivalent.

### DEFINITION OF TERMS

**Cash:** Coins & currency.

**Cash Equivalents:** Checks, money orders, cashier's checks, certified check, and traveler's check transactions.

**Cash Handling Unit:** University Cash Services (Main Cashier), Satellite Cashier, Departmental Cashier.

**Cashier:** Individual receiving cash or cash equivalents at the point of sale and recording the same in CASHNet, T2 or Ticketmaster.

**Cashiering Station:** Collection station that typically collects cash and cash equivalents by using CASHNet, T2 or Ticketmaster systems.

**CASHNet:** University cashiering system.

**Departmental Cashiers/Deposits:** Departments that perform minimal cashiering activities. Collections are deposited to UCS via a departmental deposit transmittal. Includes departments with petty cash custodian transactions.

**Excess Cash:** Currency and coin in surplus of the authorized cash limit amount in the cash register or lockable receptacle/vault/safe.

**Handle/Handling:** Receiving, delivering and storing cash and cash equivalents for cashiering or department deposit.

**Handlers:** Persons performing duties defined as "Handle/Handling".

**ICSUAM:** Integrated California State University Administrative Manual.

**Main Cashier:** see University Cash Services.

**Official University Cash Receipt:** Generated from either CASHNet, Ticketmaster, or T2 systems.

**Ticketmaster:** Ticket/payment system used by The Soraya.

**T2:** Parking permit payment system used by Parking Services.

**Satellite Cashier:** A cashiering unit that generally performs cashiering activities as a primary function. Collections are deposited with UCS to an approved depository bank account. Satellite cashiers at CSUN include Quick Copies, Student Health Center, Parking Services, & The Soraya.

**University Cash Services (UCS):** Main cashier office responsible for the collection of student payments, department deposits, and petty cash reimbursements.

## **RESPONSIBILITIES**

### **Chief Financial Officer (CFO) or designees' responsibilities (ICSUAM 6330.100):**

The campus's CFO or his/her designee is responsible for all campus cash and cash equivalents handling activities in accordance with policies outlined in this document, including the authorization and approval of official main cashiering and satellite cashiering locations.

### **University Cash Services Assistant Director (UCS Asst. Director) or designees' responsibilities (ICSUAM6330.200):**

1. Ensure appropriate approvals have been obtained prior to establishing an official satellite cashiering station, change fund, or petty cash fund.
2. Maintain a listing of all departments that perform cash handling duties using cashiering systems (CASHNet, Ticketmaster, and T2) and a listing of individuals using CASHNet.
3. Ensure cashiering stations are operating in accordance with CSU and University policy and procedures.
4. Ensure that the following requirements have been met for each cashiering station, with the exception of 4.d. below:
  - a. Cashiers (handlers) have been properly trained in cash handling, the preparation and processing of deposits, and the use of CASHNet along with proper documentation of completed training (ICSUAM 6330.300).
  - b. Cash, checks, and debit/credit card information are physically protected (ICSUAM 6330.200).
  - c. Appropriate segregation of duties are maintained (ICSUAM 6330.100).
  - d. Each Cash Handling Unit head must determine that all authorized employees with direct cash and cash equivalents handling duties, including temporary, casual, and student employees, have a background check in accordance with HR 2015-08 or its successor policy.
5. Review and approve the physical setup of all CASHNet cashiering stations to ensure the safety of funds and personnel.

## University Lock Shop responsibilities (ICSUAM 6330.200):

Provide unique Omni codes to secure access to cash handling departments/areas.

## PROCEDURES

### 1. Segregation of Duties (ICSUAM 6202.00)

- a. The UCS Asst. Director shall maintain a listing of all departments and employees who handle University cash or cash equivalents at each official CASHNet cashiering station.
- b. Cash receipts/handling operations requires daily supervision and review.
- c. The individual who authorizes refunds cannot receive or handle cash or cash equivalents.

### 2. Cashiering Stations

- a. All cash registers and point of sale equipment must produce a receipt controlled by consecutive numbers generated automatically and recorded with each transaction. This numbering mechanism must be accessible only to the manufacturer's service representative or appropriate manager who is independent of that cashiering location.
- b. Subsequent to the collection of funds, each cashier shall offer a copy of the receipt to the customer.
- c. Each cashier should take reasonable precaution to detect counterfeit money prior to acceptance. Cashiers shall use a currency counter with counterfeit detection capability, if available, for bills over \$20. If a currency counter is unavailable the cashier shall use a counterfeit detector pen.
- d. Cashiers shall refrain from "making change" for persons not completing an official business transaction with the cashiering unit.
- e. Each cashier shall be assigned a unique user ID, login, password, and cash fund not accessible by or shared with other individuals. The department manager must provide a cash register drawer or other secure cash receptacle to which only the cashier has access.
- f. Prior to leaving the cash register or work area for any reason, the cashier will lock the cash drawer and remove the key, keeping it in their possession.
- g. As part of normal operations throughout the day, the cashier will accumulate receipts from sales. Excess cash must be removed from the cash register drawer during the business day and transferred to a University approved safe or lockable receptacle. Excess cash amounts are defined by each cash handling unit manager.
- h. All cash registers and point of sale equipment must produce an end-of-day report total for verification to cash and cash equivalents collected. Reconciliation must be reviewed and verified by a supervisor or designee other than the cashier responsible for the collections.
- i. At the close of business, all cash and cash equivalents must be secured and stored in accordance with CSU requirements as noted in section 9 and 10 below.

- j. Documentation of cash differences (overages and shortages) must be maintained for each cashier and reviewed by the appropriate supervisor.
- k. CASHNet users must complete a [CASHNet Access Application](#). If the 'cashier' leaves the department, the dean or financial manager must complete the form and notify the UCS Asst. Director for deletion.
- l. Parking T2 staff must obtain written approval from their financial manager to acquire access to the T2 parking cashiering systems. Parking Services must maintain a list of active cashiers.
- m. The Soraya Ticketmaster staff must obtain written approval from their financial manager to acquire access to the Ticketmaster/American Express and Ticketmaster/Paymentech systems. The Soraya must maintain a list of active cashiers.

**3. Official University Cash Receipt**

- a. An official University cash receipt shall be recorded for each collection using a cash register, point of sale equipment, online secured payment sites or automated ticketing system, except in circumstances where it is not practical (i.e. event parking and payments received at department through the mail). Departments wishing to collect check payments must comply with sections 6 and 7 below.

**4. Voids and Reversals**

- a. Voids and reversals of a prior cash or cash equivalent receipt, must be supported by all copies of the document involved, explained, and approved in writing or electronically by the cashier's supervisor at the time of the occurrence and submitted with the deposit supporting documentation.

**5. Endorsement Stamps**

- a. All checks accepted by the University must be restrictively endorsed by a cash register or an endorsement stamps approved by the UCS Asst. Director. All checks must be endorsed immediately upon receipt (ICSUAM 6330.200).
- b. Endorsement should indicate "For Deposit Only – California State University Northridge". For example, the following endorsement should be placed on the back of each check:

Pay to the order of  
 Wells Fargo Bank, N.A.  
 For Deposit Only  
 California State University Northridge  
 Account #####

- c. The UCS Office will order the appropriate endorsement stamp using the [Endorsement Stamp Order Request Form](#) completed by the requesting department.

**6. Requirements of Checks Received**

- a. All checks must be made payable to California State University, Northridge, CSUN or reasonable variations thereof.

1. Payee cannot be blank.

- b. Checks accepted by the University must contain all legally required elements including:
  - 1. Dating no earlier than 180 days prior to the day of acceptance and no later than the day of acceptance.
    - a. Post-dated checks are not to be accepted.
  - 2. Legible and consistent amounts, both the numeric and written.
  - 3. A signature on the signature line.
- c. The following procedures should be followed for checks that do not contain all the legally required elements noted in procedure 6.b. above:
  - 1. Checks received in person from the maker should be reviewed at the time of receipt for the required elements noted in procedure 6.a and b. If any of the required elements are not met, the cashier must return the check to the maker for correction.
  - 2. Checks received in the mail from the maker should be reviewed at the time of receipt for the required elements noted in procedure 6.b. If any of the required elements are not met, the cashier should make every effort to contact the maker to request a new check be issued. The cashier should mail the invalid check back to the maker and record the item in the 'Checks Not Payable to CSUN/Unidentifiable' log.
- d. All checks must be verified, processed, and restrictively endorsed immediately upon receipt. Checks must be kept secured in a locking drawer or safe.
- e. If checks received are not payable to California State University Northridge or cannot be identified or properly applied after sufficient research, the item should be recorded on the 'Checks Not Payable to CSUN/Unidentifiable' log and the check returned to the name and address of the maker.
- f. Actual checks should **not** be routed to other departments to obtain recording chartfield information when the proper account(s) are not readily available. Endorse the check and scan it to the applicable department(s) for research. Any deposit older than 5 business days must be recorded in the "Uncleared Collections" account.

## 7. Depositing Cash and Cash Equivalents

- a. Deposits should be prepared by an individual who does not have access to recording transactions (i.e., should not have access to post journal entries), authorizing adjustments to the accounts receivable ledger or to the general ledger, or the person following up on collectibles (ICSUAM 6330.200).
- b. Deposit counts shall be verified by a second person. For department deposits, all deposits will additionally be verified by the UCS Office.
- c. Deposits should be reviewed and verified/reconciled to the general ledger by an individual who is not part of the deposit process and does not have access to cash. This provides an independent verification that the amount recorded on the supporting deposit documents was the amount that was actually deposited.

- d. Deposits must be taken to the UCS Office within 5 business days of receipt. A single cash equivalent in excess of \$10,000 or more must be deposited within 3 business days.
- e. Deposits should include the following:
  - 1. [Deposit Transmittal Form](#)
  - 2. [Cash Receipts Log Form](#)
  - 3. Currency sorted by denomination
  - 4. Endorsed checks and an adding machine tape in the same sequence as the checks
- f. Transporting of deposits should be in a sealed and a non-transparent bag.
- g. Transporting of deposits to UCS should be accomplished in a secure manner by an authorized campus employee.
- h. Employees transporting coins and currency in excess of \$1,000 or an excess cash equivalent of \$5,000 must be escorted by campus police (ICSUAM 6330.200).
- i. The main cashier shall prepare the deposit of cash and cash equivalents for the bank no later than the next business day of receipt. Cash and/or cash equivalents are to be deposited, either via armored transport and/or electronically.

#### **8. Cash Transactions > \$10,000 Notification and Processing**

- a. Funds received, from a single individual, in the form of cash, money orders, cashier's checks, traveler's checks or other bank instruments in US dollars in a cumulative total that exceeds \$10,000 in any 365 day period must be reported to the IRS. The UCS Asst. Director or designee will approve the required 'IRS Form 8300 Report of Cash Payments Over \$10,000 Received in a Trade or Business' and submit it to the IRS within 15 days of the date the total amount received exceeds \$10,000.

#### **9. Security of Cash Funds**

- a. The following are the requirements for storage of cash and cash equivalents (ICSUAM 6330.200):
  - 1. Up to \$1,000 in a lockable receptacle and all debit/credit card related information.
  - 2. \$1,001 to \$2,500 in a safe.
  - 3. From \$2,501 to \$25,000 in a steel-door safe, with a door thickness of not less than 1 inch and wall thickness of not less than ½ inch.
  - 4. From \$25,001 to \$250,000 in a class TL-15 composite safe or better.
  - 5. Over \$250,000 in a class TL-30 steel or better safe.

- b. Physical security systems are required in areas where large amounts of cash are collected.
  - 1.If more than \$2,500 in cash and cash equivalents is regularly on hand, a manual robbery alarm system or other appropriate measure must be installed for use during business hours to alert campus police.
  - 2.If more than \$25,000 in cash and cash equivalents is stored overnight, an automated alarm system is required to alert campus police if the storage area is entered after business hours.

#### 10. Safes/Lockable Receptacles

- a. Safes should be bolted to the ground or wall and such activity must be coordinated through the Physical Plant Management (PPM).
- b. The relocation or removal of existing safes must only be performed by PPM.
- c. Lockable receptacles that store cash, checks or debit/credit card information should always remain locked when not in use and should be stored in a locked desk, cabinet, or office when not in use for operations.
- d. Each safe must be assigned a Safe Combination Coordinator by the appropriate dean or financial manager using the [Safe Combination Coordinator Appointment](#) and retain for recordkeeping or audits.
- e. Each Safe Combination Coordinator must maintain a written record of authorized persons who know the combination of the safe and the date the combination was last changed using the [Safe Combination Access Listing](#).
- f. The combination should be known to as few persons as possible consistent with operating requirements and the value of the cash or documents.
- g. The combination must be changed when an employee having knowledge of the combination leaves the Cash Handling Unit or on a three year cycle.

#### 11. Door Combinations

- a. Certain cash handling locations shall be kept secured by installing Omni codes. Secured areas that require the use of an Omni code must consult with the University Lock Shop.

#### 12. Change Funds and Petty Cash

- a. Change Fund and Petty Cash custodians are responsible for the security of their respective funds.
  - 1.Each fund can only have one (1) custodian and one (1) back-up in case of an absent custodian.
- b. Petty cash and change funds must not be commingled with other funds and cannot be independently transferred to another individual.
- c. When funds are no longer needed, those funds must be deposited at the UCS Office. The respective fund custodian must also notify Accounts Payable.

- d. An unannounced cash count will be performed on a periodic basis by UCS. The frequency of such verifications is based on the amount of funds at risk:

<u>Size of Funds</u>	<u>Frequency of Count</u>
\$200.00 or less	Annually
\$200.01 to \$500.00	Quarterly
\$500.01 and over	Monthly

**APPROVAL AND REVISION HISTORY**

<b>Approved by</b>	<b>Title</b>	<b>Signature</b>	<b>Date Approved</b>	<b>Effective Date</b>	<b>Description of changes</b>
Deborah Wallace	AVP FS	On File	5/14/18	5/14/18	Revised 05-14-18 per ICSUAM 6300