

**CASH MANAGEMENT POLICY & PROCEDURES  
ADM-155**

**Revised January 2019**

**CASH HANDLING  
Departments**

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## DEFINITION OF TERMS

**Main Cashiering Location** – The primary cashiering location with the responsibility to collect, control and maintain records for campus funds. Operating unit to which official operating cash funds are issued and from which collections are deposited directly to a bank. The Bursar's Offices located at ADM 155 and SSB 103 are the main cashiering locations for SF State.

**Satellite Cashiering Location** – Cashiering location which generally performs cashiering activities as a primary function. Official operating cash funds are issued to satellite cashiering locations, and deposits are either delivered to a main cashiering location or deposited directly to an approved depository bank account.

**Cashiering Employee** - Any employee engaged in a cash-handling function at a main or satellite cashiering location.

**Cash Handling Department** - Operating location which performs minimal cashiering activities and collects cash or cash equivalents. Cash handling is not their primary duty, and all collections are deposited to a main cashiering location.

**Cash (and Cash Equivalents)** - Currency, coin, checks (including cashier's and certified), money orders, traveler's checks, credit cards and e-commerce (Automated Clearing House and other debit and credit transactions).

**Sensitive Position** – Positions designated by the CSU as requiring heightened scrutiny of individuals holding the position based on heightened risk of financial loss to the CSU.

**Delegation of Authority** - Assignment of responsibility or authority to another person (normally from a manager to a subordinate) to carry out specific activities.

**Segregation of Duties** - The internal control process that requires two or more authorized individuals to complete a task to prevent fraud and error.

**Mitigating controls** - Type of control used in auditing to discover and prevent mistakes that may lead to uncorrected and or unrecorded mistakes.

**CASHNet** - University Cashiering System

**PCI** - Payment Card Industry (credit card security standards)

**ICSUAM** - Integrated California State University Administrative Manual

This document establishes San Francisco State University's policies and procedures related to handling and processing cash and cash equivalents, and the safeguarding of funds in accordance with University and ICSUAM Polices 6100.00, 6200.00, 6201.00, 6202.00, 6320.00, 6330.00 and 6340.00.

Most university funds are receipted in the Bursar's Office at ADM 155 and/or SSB 103 as they are the main cashiering locations on campus. Most departments and programs are University programs, including all the Academic, Student Service and University Administrative Offices. Many campus enterprise activities, such as the College of Extended Learning (CEL), Parking, Student Housing and Student Health Services are also University programs. Deposits for University departments and programs (outside of satellite cashiering locations) are made through the Bursar's Office at ADM 155 and/or SSB 103.

Some departments or programs fall under one of the University's auxiliaries, i.e., Associated Students, University Corporation (UCorp), University Corporation Philanthropic (Foundation), etc. University auxiliaries must also comply with university-wide cash management policies and procedures.

## **1. ACCEPTING UNIVERSITY FUNDS**

University employees who receive and handle cash and cash equivalents must follow appropriate safeguarding, accountability, reporting and audit controls.

If there is a compelling reason for a department to receipt their own funds, approval must be obtained from the University Bursar and Director of Fiscal Operations under the following guidelines:

- A written statement must be provided stating why collection is needed, which will also include a statement accepting responsibility for collecting funds, signed by the department/program manager and the appropriate Dean, Director, or Associate Vice President.
- A secure lock box or safe must be in place that will be used to safeguard funds between deposits.

A Bursar's Office representative will conduct a site visit after the request is received. The department must agree to University cashiering policies and procedures, and unannounced audits, to ensure standards are being met.

Once all initial requirements are met, the department must receive cash handling training by a Bursar's Office representative before accepting payments. Training by the Bursar's Office will be provided periodically thereafter.

Although university employees who receive and handle cash and cash equivalents must follow appropriate safeguarding, accountability, reporting and audit controls, it is the responsibility of the department to create specific procedures for their department. The department procedures must include the review and signing of this policy and procedures document and the training of any new employees. Additionally, the procedures will include instructions for department employees who may occasionally receive cash or cash equivalents.

If it is no longer necessary for the department to accept cash and cash equivalents, a written statement must be provided to the University Bursar and Director of Fiscal Operations as to why they no longer need to be a cash handling department. The statement must include the plan for returning the endorsement stamp, disabling of any payment websites and returning any credit card processing equipment.

## 2. SAFEGUARDING FUNDS

Acceptance of fund may only be authorized if safes, vaults or money chests are adequate to safeguard university funds.

Funds shall not be removed from the campus or deposited and/or co-mingled with personal funds, nor placed in a personal or off-campus bank account.

Checks must be endorsed immediately upon receipt with a university approved endorsement stamp, and must be secured in a safe/vault until they can be taken to a main cashiering location.

Employees with direct access to, or control over, cash, checks, other cash equivalents, credit cards and/or credit card account information are considered to hold sensitive positions. The campus must perform, or contract for, background checks and employment verification prior to employing a person into these sensitive positions. **ICSUAM POLICY 6201.00**

Department should have defined roles of responsibility within their department. Ideally, cash handling duties should be divided into stages:

- Receiving funds
- Reconciling
- Depositing funds

In departments with a limited number of employees, it may not be possible to fully segregate all cash-related duties. In these circumstances, mitigating controls can be developed to prevent mistakes or fraud. ***Designated cash handling departments should contact the University Bursar to have any mitigating controls reviewed and approved.***

In the event of an extended campus-wide emergency, the cash handling department must forgo collection of payments. If the department is in the process of collecting payments during a

contained emergency (i.e., fire alarm, weather conditions, etc.), cash and cash equivalents should be immediately secured (if it is safe to do so) before exiting the building or location.

### 3. CASH HANDLING

#### A. Check Payments

Checks received by cash handling departments must:

- be payable to SFSU or San Francisco State University
- be in U.S funds payable through a U.S bank (no foreign checks)
- have a complete address
- show a current date (post-dated and stale-dated checks are not acceptable)
- have the payers bank branch information and personal account and routing numbers imprinted on the check
- have a signature on the maker's signature line
- have the written amount matching the numerical amount
- be endorsed upon receipt (with an approved University endorsement stamp)

#### B. Cash Payments

- Cash payments should be verified in the presence of the payer. An approved CSU cash receipt documenting the transaction with an assigned receipt number should be issued.
- The university accepts **U.S. currency only**. No cash handling departments will accept foreign currency.
- Cash handling departments are responsible for exercising reasonable care in screening cash transactions for counterfeit currency, and the usage of counterfeit detecting tools is required. If a questionable bill is received, the department should retain possession of the bill and immediately contact campus police.
- Cash should not be accepted in drop boxes or at departments that have not been established as a cash handling department or satellite cashiering location.
- Excess cash must be removed from the cash register drawer during the business day and transferred to a secure, lockable receptacle or vault. The excess cash limit for cash handling departments is \$2,500. At the close of business all cash must be physically secured in the vault/lockable receptacle.

#### C. Credit Card Payments

If there is a compelling need for a University department or program to collect funds by credit card at the department office or other location, the department must obtain approval from the University Bursar.

In accepting credit card payments, San Francisco State University and its auxiliaries are required to comply with the Payment Card Industry Data Security Standard. The standard was developed by the major credit card companies as requirements a business must adhere to when accepting credit cards. [https://www.pcisecuritystandards.org/security\\_standards/pci\\_dss.shtml](https://www.pcisecuritystandards.org/security_standards/pci_dss.shtml)

#### D. Physical Security Standards

The physical security of cash and cash equivalents must adhere to the following:

- Up to \$1,000 stored in a lockable receptacle
- \$1,001 to \$2,500 stored in a safe
- \$2,501 to \$25,000 stored in a steel-door safe, with a door thickness of not less than 1 inch and wall thickness of not less than ½ inch
- \$25,001 to \$250,000 stored in a class TL-15 composite safe or better
- Over \$250,000 stored in a class TL-30 steel safe or better

If **more than \$2,500 in cash** and cash equivalents are regularly on hand, a manual robbery security system or other appropriate measure must be installed for use during business hours to alert campus police or local law enforcement in the event of a robbery or other irregularity. If **more than \$25,000 in cash** and cash equivalents are stored overnight, an automated security system is required to alert campus police or local law enforcement if the storage area is entered after business hours.

#### 4. RECONCILING

- Under dual control, the Cash Handling Department will reconcile their receipts (i.e., receipt book, registration forms, etc.) against the cash, check or credit cards that were accepted. After receipts and payments have been balanced, deposits can then be prepared for delivery to a Main Cashiering Location.
- All deposits must contain the appropriate documentation such as a Departmental Deposit Tally Sheet, adding machine tape for check payments (including department name/employee initials/business date), a SFCMP Deposit Transmittal Sheet with complete chart field account information and a Miscellaneous Departmental Deposit Approval Form. ***The department should contact Fiscal Affairs Accounting for the correct chart field to use.***

#### 5. DEPOSIT PROCEDURES

- Unless funds are received in error, funds cannot be transferred from one department to another. If transferring funds that were received in error, document the following:
  - The amount(s) and type of currency received
  - The amount(s) and type of currency transferred to another department

- The name of the department receiving the funds
  - Acknowledgement/receipt of funds from the department receiving funds
    - Maintain above noted documentation for accountability purposes
- All funds collected by a cash handling department must be deposited at a Main Cashiering Location into a University account within **two (2) business days** of receipt. Cash deposits of **\$1,000 or more**, or cash and cash equivalents **exceeding \$5,000**, must be deposited the **next business day**. Deposits meeting or exceeding these thresholds require a campus police escort or armored car. If a police escort or armored car is unavailable, delivery to a main cashiering location by two university employees is allowed.
  - All checks must be endorsed upon receipt. Departments will need to obtain a University approved endorsement stamp from the Bursar’s Office at ADM 155 (stamp will be recharged to the department).
  - The Main Cashiering Location cashier will immediately process the deposit(s) and provide an electronic receipt of deposit to the Cash Handling Department representative. If immediate deposit cannot be provided by the Main Cashiering Location, the cashier will provide a handwritten temporary receipt to the Cash Handling Department representative and will process the deposit no later than close of business the day after the deposit was received.

By signing below, I agree to abide by these policies and procedures. I understand that cash handling procedures for my department will be developed in support of the University-wide Cash Management Policy and Procedures. I understand that it is my responsibility and the responsibility of the department personnel to remain apprised of financial policies that affect cash handling and safeguarding of University funds.

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Department/Program

\_\_\_\_\_

Printed Name

\_\_\_\_\_

Signature & Date

\_\_\_\_\_

Printed Name of Manager/Department Chair/Dean/Associate Vice President

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Signature of Manager/Department Chair /Dean/Associate Vice President & Date

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University Bursar or Designee Signature & Date