Procedure Guidelines and Business Process Guide

Department: Cashiering

Procedure Title: Cash Handling – Events
  • Fundraising
  • University & Auxiliary events with a cashiering function (i.e. payments are collected)

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Date: 11/2/12

ICSUAM Policy/authoritative source(s):
  3102.03 - Acceptance of Cash and Cash Equivalents
  3102.02 - Segregation of Cash Handling Duties
  3102.04 - Physical Protection of Cash and Cash Equivalents

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<td>11/2/12</td>
<td>Kathryn Dunham</td>
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BACKGROUND / SCOPE:
Cal Poly accepts proceeds from fundraising events that are consistent with the mission and goals of the University and that conform to the laws, regulations and policies of Cal Poly, the California State University, and the State of California. Fundraising events should have the intent to yield net usable proceeds for the University and, at a minimum, have resources identified to cover budget deficits should fundraising revenues fall short.

The following procedures are intended to address the cash handling requirements for University & Auxiliary fundraising events.

DESCRIPTION:
It is the policy of the CSU that:

- Cash and cash equivalents be collected and documented in a timely, controlled and cost-effective manner.
- Adequate separation of duties in the area of cash handling is established and maintained, so that no one individual has exclusive control over a given process.

NOTES:

- A Staff or Faculty member must be responsible for all cashiering events and transportation of deposit(s) to University or Auxiliary Cashiers Office.
- It is recommended that finger printing / a background check be performed for anyone handling cash. This service is available through the University Police Department. The Live Scan Office can be reached at (805) 756-6663.

PROCESS:

Separation of Duties:
Separation of duties must be maintained when cash is received and no single person should have complete control over the entire process of receiving funds, preparing the bank deposit and verifying the deposit. Two (2) or more qualified and authorized persons must be involved in the process of collection, handling, depositing, and accounting processes for all cash/check transactions. The person collecting cash, issuing receipts, and preparing the deposit should be someone other than the person reconciling the receipts and verifying the deposit.

Physical Security:
The collection station should be situated so that the cash handlers are in a secure environment or have a wall or other barrier behind them. When possible, it is recommended that a campus security officer be involved to help safeguard the personnel and assets.

All cash and checks should be physically protected from loss at all times. Cash and checks should be locked in a secure receptacle at all times to which only the cashiering personnel have access.
Transport of deposits must be accomplished jointly by at least two employees. When deposits exceed $2,500, employees shall be escorted by campus police. When determined necessary, armored car service or police escort should be used. Transporting deposits must be accomplished in a secure manner in order to protect the financial assets and individuals involved in transport. If it is anticipated that the event proceeds will exceed $2,500 University Police should be contacted prior to the event to make escort arrangements at (805) 756-2281. Note: The University Police escort must not ever handle the deposit; they are to serve as a security escort only.

**Payment Types Allowed:**

- Cash (only U.S. currency and coins)
- Check (must be drawn on a U.S. bank account)
- Money Order
- Cashier’s Check
- Traveler’s Check
- Wire (please contact University Cashiers Office for arrangements)

**Check requirements:**

- All checks must be payable to: “Cal Poly”, “Cal Poly State University” or reasonable variations thereof. (e.g. “California State University”, “CSU Cal Poly SLO”, etc.) All invoices or other documents requesting payment must clearly advise payers of this requirement.
- Checks accepted must contain all legally required elements including:
  - Dating no earlier than 180 days prior to the day of acceptance (unless a shorter time period is clearly marked on the face of the check) and no later than the day of acceptance.
  - Legible and consistent amounts, both the numeric and written.
  - Valid signature by the account holder (authorized signer).
- Checks, including mailed remittances, must be restrictively endorsed for deposit as soon as possible but not later than the close of business on the day of receipt or the next business day if the event is held outside of business hours.
- Endorsement stamps may be checked out from the appropriate University or Auxiliary Cashiers Office.

**Note:** Checks bearing the legend “Payable/Paid in Full” are not to be accepted.

**Change Fund (State Events Only):**

A temporary change fund is available for events:

- Accepting cash Of which the proceeds will be deposited into a State bank account
Please contact the University Cashiers Office a minimum of one (1) week prior to the event to make arrangements. For additional info, please refer to the Issuance of Temporary Petty Cash Policies & Procedures.

**Recording Cash Collected / Sales:**

An official CSU cash receipt should be recorded for each collection. It must be recorded on a valid pre-numbered, multiple-part Cash Receipt. The receipts must be used sequentially. Receipt stock shall be kept secured, inventoried and regularly reviewed to prevent and detect alteration. If the original receipt is lost, destroyed or otherwise unavailable, a duplicate receipt may be provided that contains all of the elements of the original receipt (per the multiple-part Cash Receipt) and is clearly marked “duplicate”, “copy” or some other designation that indicates that this item is not the original document.

In circumstances where it is not practical to process a receipt, other mitigating controls must be implemented, such as pre-numbering of tickets, ticket inventory reconciliations, and ticket count reconciliations against cash collected.

Additionally, each payment collected must be recorded individually on a Payments Log. The Log must be reviewed and reconciled to the total funds collected for each event. The GL account in which the deposit should be recorded must be provided on the Log.

**Preparing Deposits:**

Supplies required for preparing deposits should be attained from the appropriate University or Auxiliary Cashiers Office including:

- Tamper-evident deposit bag(s) (to be used if a locking deposit bag is unavailable)
- Check endorsement stamp
- Currency bands / Coin wrappers

Accountability for and documentation of the custody of cash and checks must be continually maintained when preparing deposits.

- Deposits should be prepared and validated under dual custody (actions requiring approval by two persons, each being held accountable.)
- The preparation and validation of deposits should be done in a non-public, safe, and secure location.
- A report of cash collections signed by the preparer & reviewer should be kept on file (Payments Log).
- Deposits should be submitted to the University or Auxiliary Cashiers Office the same day as collected (if possible), or a minimum of the following business day.
1. Deposit preparation:
   a. Endorse all checks with the endorsement stamp provided
   b. Bundle currency & wrap coin as follows:

   **Deposit Preparation**

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<tr>
<th>Currency</th>
<th>Bundle Size</th>
<th>Notes</th>
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<tr>
<td>$1</td>
<td>$25 – (25 ct)</td>
<td>= 4 bundles</td>
</tr>
<tr>
<td>$5</td>
<td>$100 – (20 ct)</td>
<td>= 5 bundles</td>
</tr>
<tr>
<td>$10</td>
<td>$200 – (20 ct)</td>
<td>= 5 bundles</td>
</tr>
<tr>
<td>$20</td>
<td>$500 – (25 ct)</td>
<td>= 4 bundles</td>
</tr>
<tr>
<td>1¢</td>
<td></td>
<td>= 50 pennies</td>
</tr>
<tr>
<td>5¢</td>
<td></td>
<td>= 40 nickels</td>
</tr>
<tr>
<td>10¢</td>
<td></td>
<td>= 50 dimes</td>
</tr>
<tr>
<td>25¢</td>
<td></td>
<td>= 40 quarters</td>
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c. If using locking deposit bag:
   - Place funds & a copy of the *Payments Log* into deposit bag (original of *Log* to be kept on file)
d. If using Tamper-evident deposit bag(s):

Fill out the deposit bag as follows:

- **Customer Name**: Event & Event Date
- **Date**: Date delivered to University or Auxiliary Cashiers Office
- **Deposit Said to Contain**: $ amount per the calculated totals on the enclosed Payment Log
- **Deposit Contents**: Identify type of currency in bag (per check boxes on bag “Currency & Coin” &/or “Checks”)

Once Deposit Bag is filled out:

- Place funds & a copy of the Payments Log into deposit bag (orig. to be kept on file)
- Tear off the top of the bag (on the perforated line)
- Minimize the amount of air left in bag
- On the back of the sealed deposit bag, remove the release liner to expose adhesive
- Fold adhesive onto the seal area with the lines
- Press firmly from center to edges

2. Deposit transportation:
   a. Transport locked or sealed deposit bag to the University or Auxiliary Cashiers Office for deposit the same day as collected (if possible), or a minimum of the following business day.

   Note: The University Cashiers Office is open: Monday – Friday: 8:00a.m. – 4:30p.m. (Except for designated campus closure days as defined in the annual Campus Work Schedule (e.g. official Holidays))

   b. Upon delivery of deposit the Cashier will:
      - Open the locked or sealed deposit bag & verify the deposit against the Payments Log.
      - Record the deposit in the system in the GL account provided on the Payments Log.
      - Provide a copy of the system receipt.
      - Sign the Payments Log (along with the employee transporting the deposit) acknowledging delivery & receipt of the deposit.

   c. The Cashier will include the deposit with the remaining receipts processed for that business day.
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<th>CONTACTS:</th>
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<th>Phone Ext:</th>
<th>Email:</th>
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<tbody>
<tr>
<td>Office and contact name:</td>
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</tr>
<tr>
<td>Brett Holman</td>
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<td>6-7417</td>
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<tr>
<td>(Student Financial Services)</td>
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<td>Kathryn Dunham</td>
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