Boise State University | BSU Policy #6010
Effective Date: July 1, 1981 | Revised: April 2006
October 2007

CASH HANDLING

Purpose:
To establish policy for departments and individuals receiving cash, checks, credit cards or other forms of tender at Boise State University.

Scope:
Applies to handling of all university cash.

Responsible Party:
Payment and Distribution Center, 426-1212

POLICY

I. Policy Statement

The intent of this policy is to guide University personnel and students in the proper use of cash to preclude the abuse of University funds and to facilitate effective money management.

II. Responsibilities

A. Departmental: Departments handling cash are responsible for implementing the cash handling procedures outlined in this document and to ensure that all reasonable efforts are made to protect the cash of the University. PeopleSoft is the official record of the University and departments are required to perform reconciliations to PeopleSoft on a monthly basis, promptly identifying and correcting any discrepancies.

B. Payment and Disbursement Center: The Payment and Disbursement Center (P&D) is responsible for receiving departmental funds and accepting student payments and recording those deposits in PeopleSoft accurately and in a timely manner. Additionally, P&D will confirm that departmental deposits equal the cash received and will notify departments immediately of any discrepancies. P&D reserves the right to perform audits on an unannounced basis to confirm compliance with cash handling policies.

III. Procedures

A. Cash Handling Requirements

1. Cash Registers: Departments receiving a large volume of transactions should use a cash register. The cash register should have X tape and Y tape functionality to assist in reconciling cash with sales. If more than one individual is accessing the same register, the cash drawer should be closed out prior to another cashier using the register, whenever possible. The register should be able to provide the customer with a receipt for each transaction.

2. Cash Drawers: Each cashier should have a separate cash drawer, whenever possible. The cash balance should be confirmed prior to the cashier beginning the processing of transactions and should be balanced at the end of the cashier's shift. Any discrepancies in the cash drawer at the end of the shift should be accounted for in the long/short accounts at the bottom of the transmittal form.

3. Daily Balancing of Cash Collections: Cash collections must be balanced on a daily basis. Discrepancies must be accounted for in the long/short account at the end of the transmittal form.

4. Checks Received: Any checks received should be made payable to Boise State University, immediately stamped "For Deposit Only," and include the following information, which can be obtained from P&D:

    a. University bank account number
    b. University routing number

    Any other information that is pertinent to daily operations of the department may also be included on the endorsement stamp as well.

5. Non-Sufficient Funds Checks: Departments accepting checks must post signs that Non-Sufficient Funds (NSF) checks will incur additional charges. NSF checks originally received in departments will be returned to Administrative Accounting. The departmental account from the department who took the check will be charged for the amount of the check as well as the NSF fee charged by the bank. The NSF check will be forwarded to that department. Departments may attempt to collect from the payer, but are not required to do so.

6. Copies of Checks: Generally, checks should not be copied, unless there is a valid business purpose for doing so. Due to the risk of identity theft, all information on copied checks should be kept in a secured location with limited access. Once the valid business

purpose expires (usually after one statement cycle), the copies should be shredded.

7. Checks Received via Mail: Ideally, two individuals working together should open checks received via the mail. Checks should be logged in immediately and stamped "For Deposit Only" at the time mail is opened. The person opening the mail should not be the same person processing the departmental deposit. Student payments should follow guidelines as described in this policy (Section III-G "Student Account Payments"). P&D will send a receipt to the student upon entry into PeopleSoft.

8. Checks Received in Error: Checks received in error should be forwarded to P&D, along with any documentation received with the check, including the envelope.

9. Receipt Requirements: All departments must use approved receipts for transactions. A receipt must be given for all transactions regardless of payment type. Receipts must be pre-numbered in sequential order with voided receipts maintained and accounted for with sales receipts. Receipts must contain at least two parts: one copy to be given to the customer and one to be retained in the department. Receipts should not include social security numbers, birth dates, or any information that may enable identity theft. Types of receipts approved by the University are:

    a. Cash register receipts, for departments that handle high dollar volume transactions
    b. Computer generated receipts
    c. Hard copy receipts for smaller dollar transactions on the official Boise State University two-copy receipts, available from the Print Shop

B. Physical Security Requirements for Cash

1. Cash Security: Reasonable measures should be taken to ensure that proper security is maintained on cash drawers and/or tender held by a department. Reasonable security includes, but is not limited to, funds being attended at all times and locking up funds held overnight.

2. Use of a Safe: A safe should be utilized when cash balances are sufficient to warrant such a security measure. Safe combinations should be safeguarded and communicated to a small number of key individuals only. Combinations must be reconfigured annually or upon turnover of staff, whichever occurs first.

C. Deposit Requirements

1. Timing of Deposits: Revenues should be deposited daily for amounts greater than or equal to $200. Amounts less than $200 must be deposited at least weekly. Any funds of less than $200 that are being held for weekly deposit must be kept locked in a secure place with limited access by department personnel in between deposit dates.

2. Transmittal Forms: Departmental deposits must be made on the Payment & Disbursement Transmittal form. Please see "Transmittal Use Required" below for specifics.

3. Long and Short Accounts: Long and short accounts must be used to account for discrepancies between receipts recorded on the transmittal form and actual cash received.

4. Withholding Receipts: Withholding receipts to create a change/petty cash fund is strictly prohibited. Refer to BSU Policy #6010 "Change Funds and Petty Cash Funds" for instructions on how to setup a change/petty cash fund.

D. Transmittal Form Use Required

1. Fund Deposits: All funds are required to be deposited via P&D. Departmental deposits must be made on the Boise State University transmittal form. The form must include at least the following:

    a. The name, employee ID, and contact information of individual who processed the form

    b. All pertinent deposit information including:

        (1) Name and Department ID (Org ID) – (ten digit alphanumeric code)

        (2) Account number where funds are to be deposited (six digit code)

        (3) Project or grant code (as applicable)

2. Receipts: Copies of receipts are not required to be included with the transmittal form, but should be retained for auditing purposes.

3. Credit Cards: Credit card transactions must be submitted on a separate transmittal form and include all pertinent information as described above. All credit card information must be kept secure, to

ensure the University does not have potential liabilities relating to identity theft.

E. Armored Car Service Pickup

1. Use of Armored Car Service: Departments that collect money on a regular basis may request and/or be required by Finance and Administration to use the University-selected armored car service to transport that money to P&D. Contact P&D for more information or to establish a new stop.

2. Non-use of Armored Car Service: For departments that do not use the armored car service good judgment and common safety practices should be utilized when carrying cash across campus to P&D. Safe transportation of cash includes the following:

   a. Walking the deposit over with another person. If there is only one person available to walk the deposit over, call campus security for an escort.
   b. Do not take the deposit over at the same time every day or the same day of the week.
   c. Do not let people know that you are carrying cash.
   d. Only take the deposits over during daylight hours and on a route that has pedestrian traffic.

F. Reconciliation Requirements

1. P&D: P&D is responsible for confirming that departmental deposits equal the cash received prior to recording deposits in PeopleSoft.

2. Departmental: Each department that handles cash should reconcile deposits recorded in PeopleSoft to the Transmittal Receipts from P&D monthly. This reconciliation ensures that revenues are recorded correctly in PeopleSoft and the department receives credit for departmental revenues. Reconciliations can be performed using the PeopleSoft Departmental Detail Report or Departmental Summary Report.

3. Discrepancies: Discrepancies should be communicated to the Administrative Accounting office for corrections.

G. Student Account Payments

1. Payments: Student payments may only be taken with permission of P&D

2. Daily Deposits: All transactions impacting the student account must be included in the daily deposit. Cash must be submitted with the transmittal form. The total cash received for a student account should be summarized by student, including student name, student ID number, payment type, amount, and identification of charges where payment should be applied (e.g., housing charges, fees, and so forth).

    a. Please note that student ID numbers should be used to identify students on receipting documents. Social security numbers, birth dates, or other sensitive pieces of information that could be used to commit identity theft are strictly prohibited as identifiers.

3. Cash Receipts for Student Payments: Cash receipts from students should be kept separate from other departmental deposit funds. Cash received for student payments should not be deposited into a departmental account. Payments will be applied to the student account by P&D and an additional receipt will be generated and sent to the student upon entry into PeopleSoft.

4. Non-Sufficient Funds Checks: NSF checks that are particular to a student account will be held by P&D. The transaction paid by the check will be reversed and a fee assessed to the student account.

5. Third Party Waivers: Third party waivers are documents from an employer indicating a promise to pay the student fees. Waivers function as if they were cash; students should receive a receipt when the waiver is received.

H. Credit Card Payments at E-Commerce and Point of Sale Terminals

1. Requirements: Departments capturing credit card information via Web pages or Point of Sale (POS) terminals must meet the following requirements:

    a. E-Commerce—all e-commerce transactions must take place on a secure server running SSL, provided by OIT. The University web administrator must approve use of any other server.

    b. Privacy Security—all departments on campus that accept credit cards must adhere to the Payment Card Industry Data Security Standard. The standard may be obtained from Visa, MasterCard, or other members of the Payment Card Industry (PCI) association. Departments accepting credit card payments must participate in an annual review of PCI compliance, which will be facilitated by the Controller’s office.

c. Captured Information—every form that takes credit card information must capture, at a minimum, the following fields:

(1) Name, as it appears on the card

(2) Credit card type. BSU can accept only Visa, MasterCard, or Discover Card

(3) Card number

(4) Expiration date (month and year)

(5) Amount

2. Processing of Transactions: Departments are required to process credit card transactions the same day they are captured, ensuring that all cash handling policies and procedures are followed.

3. Settlement of Credit Card Machine: Credit card machines should be settled no more than once per day and no less than once per week. A transmittal must be submitted to P&D each time the credit card machine is settled. Departments with needs that fall outside of these requirements should contact P&D, who in turn will make all reasonable efforts to accommodate those needs.

4. Cashiers and Credit Cards: Cashiers taking credit cards at POS terminals must check identifications and verify signatures on the card to ensure the card user is the cardholder.

5. Credit Backs: Credit backs, otherwise known as refunds, should be made directly back to the original credit or debit card used for the initial transaction.

6. Receipts: All receipts should exclude the expiration date and truncate the credit card number to no more than the last five digits.

7. New Credit Card Locations: Establishment of new credit card locations must be requested and approved through the Controller’s office. Contact P&D for further information regarding the establishment of new credit card locations.

I. Rebates: Rebates received for purchases of items that are for University business must be returned to the University for deposit, whether initially paid for via University funds or directly by the employee and subsequently reimbursed through accounts payable.

J. Grant Funds: All grant funds should be received in the Sponsored Projects Accounting office. If your office receives a grant fund payment by mistake, please forward it to the Sponsored Projects Accounting office. These checks should not be deposited into departmental account or via P&D.