



CASH HANDLING PROCEDURES

Purpose

This document establishes CSU San Marcos procedures related to accepting, depositing, recording, safekeeping, and reconciling all cash, cash equivalents, and credit/debit card activity with internal controls in accordance with University and ICSUAM policies 3102.06, 3102.08, 3102.09, 6100.00, 6200.00, 6201.00, 6202.00, 6320.00, 6330.00, and 6340.00.

Definition of Terms

Accounts Receivable: Amounts due the university on account from customers who have bought merchandise or received services. Accounts receivable are a current asset in the balance sheet.

ACH Electronic Check (Automated Clearing House Payment): Electronic online transaction, via TRANSACT, that debits a bank account.

Batch Number: Number printed on a batch settlement tape that includes a summary of credit and debit card terminal transactions and serves as a unique identifier for a specific batch of transactions.

Campus Cashier Department: Department which performs minimal cashiering activities. For example, petty cash fund intended for minor departmental business expenses. Collections are deposited at Main Cashier.

Cash: Currency or coins

Cash Equivalent: Checks, traveler's checks, cashier's checks, certified checks, and money orders. The term "Check" means any negotiable demand draft drawn on, or payable through, a United States office of depository institution that is a qualified member of the United States Federal Reserve Bank.

Cash Handling Units: Any department, organization, or location formally approved to collect cash, cash equivalents, or credit/debit cards.

Cashier: Employee at Main Cashiering Unit (Student Financial Services) engaged in collecting cash, cash equivalents, and credit/debit card payments and issuing receipts.

Cashiering Lead: Employee at Main Cashiering Unit who supervises cashiers and oversees all activity related to collection of cash, cash equivalents, and credit/debit card payments. Prepares deposits to bank and verifies deposits for satellite locations. Maintains approved cash handling units, carries out training and audits, and confirms compliance with policy and procedures.

Cashiering System (TRANSACT): Online cashiering system used to process payment transactions and departmental deposits.

Change Fund: A fund of currency and coins belonging to the university, used for cash transactions.

CFS (Common Financial System): Software used to record funds and credit/debit transactions.

Credit Card: Valid card issued by Visa, MasterCard, Discover, or American Express with magnetic strip and/or valid card number, expiration date, and security code which permits user to pay for goods and services by drawing against lines of credit granted by the issuer (bank/company).

Custodian: Any Employee/individual that is authorized to collect and deposit cash and cash equivalents and process credit/debit transactions.

Depository Bank: Bank designated for which CSU San Marcos deposits all funds.

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

General Ledger: Name for the formal ledger containing all financial statement accounts. Should have equal debits and credits, as evidenced by a trial balance.

Main Cashiering: The operating unit authorized by the campus delegate from which collection of cash, cash equivalents, and credit/debit card payments are deposited directly to a CSU San Marcos bank account and from which official operating cash change funds are issued. Responsible to collect, control, and maintain records for campus funds. Main Cashiering is a function of Student Financial Services.

Over & Short: Departmental account used to account for differences between book balances of funds and actual funds on hand.

PCI: Payment Card Industry Data Security Standard. Set of requirements intended to ensure all companies that process, store, or transmit credit card information maintain a secure environment.

Petty Cash Fund: Fund established for small expenditures when the use of regular purchasing procedures is not required.

Petty Cash Voucher: Form used to detail purchases and document reimbursements made from a petty cash fund.

Reconciliation: Calculation that shows how one balance or figure is derived systematically from another.

Restrictively endorsed: Affixing signature, name, and account number to whom the transaction is to be credited.

Satellite Cashiering: A CSU San Marcos department which is authorized to collect cash, cash equivalents, and credit/debit card payments for a designated activity. Collections are deposited with Main Cashiering.

Satellite Cashier: Employee engaged in collecting cash, cash equivalent, and credit/debit payments, issuing receipts, and preparing deposits for satellite cashiering location.

Satellite Cashiering Supervisor: Employee at a satellite cashiering location responsible for personnel, equipment, and procedures involved with collecting and safekeeping of cash and cash equivalents and credit/debit payments, and who prepares and arranges delivery of deposits to Main Cashiering.

Stale Dated Check: Check that is dated in the past, typically six months or more, or a check with instructions written on the face of the check, such as "Void after 90 days".

Security Systems: Control/prevention of unauthorized access and physical protection for employees, cash, and cash equivalents (e.g., alarms, panic buttons, motion detectors, security cameras, and software)

Student Financial Services: Department of the Division of Finance and Administrative Services, responsible for the Main Cashiering of the university and the training and audits of satellite cashiering sites.

Treasury: Department of the California State University Chancellor's Office.

Validating: Process of imprinting information on a document, usually from a cash register.

KEY OBJECTIVES

As noted by Integrated CSU Administrative Manual (ICSUAM), it is the policy of the CSU that systemwide cash management procedures be implemented in a manner that meets internal control objectives and documentation retention requirements of the CSU while complying with state and federal law. Certain basic internal control principles must be adhered to regarding collecting and accounting for cash and cash equivalents:

1. Accountability

- Ensures that CSU San Marcos employees who process and/or handle cash and cash equivalents can be held responsible in fulfilling their duties.
- Accountability is present when each of the following has been met:
 - Knowledge of who has, or had access to, and why they have or had access to, cash and cash equivalents.
 - Knowledge of where cash or cash equivalent assets are at all times.
 - Knowledge of what transpired from the beginning of a cash handling process to the conclusion of the process

2. Separation of Duties

- Ensures that two (2) or more qualified and authorized persons are involved in the key, most sensitive activities related to the collection, handling, depositing, and accounting processes. (No one individual can have complete control)

3. Security/Safeguarding of Funds

- Ensures that employees involved in the handling of cash and cash equivalents are, at all times, protected from physical harm.
- Ensures that cash and cash equivalents are at all times, protected from loss or misuse and physically protected using security systems, lockable receptacles, vaults, or safes.
- Ensures that technology resources (i.e., hardware and confidential payment information) are at all times protected from loss, corruption, or compromise to confidentiality.

4. Reconciliation of Accounts

- Provides assurance that cash and cash equivalents collected and reported as deposits are deposited accurately and timely into an authorized CSU San Marcos bank account.
- Provides assurance that general ledger recordings/transactions are recorded accurately and timely.
- Ensure reconciliations are completed monthly.

5. Authorized Bank Accounts

- Provides assurance that there are no unauthorized bank accounts with local banks that use the campus name, address, and Federal Identification Number (FEIN).
- Ensures the campus performs such reviews of local banks, at minimum, on an annual basis.

Procedures

Centralized Management of Cash and Investments ([ICSUAM 6100.00](#))

The campus Chief Financial Officer must ensure cash is deposited in and disbursed from CSU's approved centralized bank (Wells Fargo) designated by the Executive Vice Chancellor/Chief Financial Officer of the CSU.

CSU San Marcos cannot initiate a new banking relationship without prior review and approval from the EVC/CFO of the CSU or their designee.

Fiscal Services must periodically review their need for maintaining each of their bank accounts and sub-accounts.

To open or close accounts and to change signatories on accounts within CSU's central bank, a letter must be mailed to the Chancellor's Office's Assistant Vice Chancellor of Financing, Treasury, and Risk Management for approval. The letter must be on campus letterhead, signed by the campus Vice President of Business and Finance, and state what actions are being requested. The letter must be accompanied with completed bank account and/or signatory forms.

Business and Financial Services will maintain updated and valid signature cards of each person authorized to sign checks, drafts, or other orders for payment of money and authorized to approve/release electronic transfers of cash from CSU's approved centralized bank(s).

The campus CFO or their designee will authorize all third parties engaged to assist in the receipt of cash, cash equivalents, and ACH transactions, and is responsible for ensuring that no third party holds CSU cash for longer than is necessary (generally one business day).

Approved auxiliary organizations may assist in the receipt and disbursement of cash, cash equivalents, or electronic transactions, which may include the retention of CSU cash, when necessary, so long as the terms of the arrangement are in compliance with [Executive Order \(EO\) 1059](#) and [California Code of Regulations, Title 5, Section 42500](#).

Campus Administration of Systemwide Cash Management Policy ([ICSUAM 6200.00](#))

The campus CFO or their delegate is responsible for administration of these procedures. The Associate Vice President of Business and Financial Services serves as the main contact between the university and the Chancellor's Office Treasury department (Treasury).

The campus CFO's delegate will ensure an annual documented review of compliance with ICSUAM policies and procedures is performed. The report shall include any variances from policy or procedures, and any risk results, and provided to the campus CFO.

Business and Financial Services will notify Treasury of monies wired electronically to or from any CSU commercial bank account only when an individual transaction is equal to or exceeds \$5,000,000. Notifications to Treasury must be made by 9AM PST on the transaction's settlement date.

Creating or dismantling approved cashiering satellite locations, or any 3rd party processor will be initiated by completing and submitting the proper forms and receiving approval. If a department wishes to become a cash collection site, an application to establish a cash collection site form must be completed and submitted to Student Financial Services and approved by the Director of Student Financial Services prior to any payment being accepted. If an approved cash collection site wishes to implement and utilize any 3rd party payment processor, a Credit Card Channel Request form must be completed and submitted to Student Financial Services and must be approved by the CFO or their designee.

Locations that have been approved to accept and process cash and cash equivalents are as follows:

- ASI
- Athletics
- Recreation
- Extended Learning
- Facilities Development & Management
- Global Education
- Main Cashier
- Parking & Commuter Services
- Paw Print

- Integrated Risk Management
- Student Health & Counseling Services
- University Advancement
- USU – Activity Center

At each approved location, any individual performing functions related to cashiering, lead supervisors of any staff performing cashiering functions, or individuals with inquiry access, are required to review these procedures and be listed, with approvals, on the application to establish a cash collection site form.

It is the responsibility of the supervisor of each approved cash collection site to, on an annual basis, reestablish approval to accept cash by submitting an application to establish a cash collection site form to Student Financial Services no later than June 1st of each year. The process of reestablishing approval is to ensure all documentation on file for a cash collection site (such as changes to approved custodians) is up to date.

Accounts Payable has procedures in place to ensure that person or persons properly authorized to sign checks, or to approve/release electronic transfers is approved and documented and are covered by a fidelity bond.

Fiscal Services will ensure bank reconciliations that validate timely deposits to the bank and recording of returned ACH payments will be done monthly.

Processes for training to be provided to all cash handling employees upon employment/approval and periodically thereafter. Such training will be performed by Main Cashiering Lead upon cash handling site establishment and approval, and performed by the area supervisor periodically thereafter, or when any subsequent employees are added/approved. Supplemental training can be provided at any time by Main Cashiering Lead, upon request.

Employees in positions where cash or cash equivalents are received at a non-cashiering site should immediately notify Main Cashiering site (Cashier's Office/Student Financial Services) and arrange to be processed.

Sensitive Positions and Cash Handling ([ICSUAM 6201.00](#))

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 characteristics to accept responsibility/accountability.

Segregation of Cash Handling Duties ([ICSUAM 6202.00](#))

Separation of duties must be maintained when cash is received, and no single person should have complete control. Only the Main Cashiering Lead, or authorized cashier, satellite location supervisor, and satellite station cashier or custodian may collect payments, issue receipts, and prepare departmental deposits; these persons may not perform any of the following duties: monthly review of the general ledger, maintenance of accounts receivable records, follow up on collectibles, processing of returned payments or the refund of payments.

Separation of duties requirements include:

- Storage and inventory of blank receipt stock will be done by Main Cashiering Lead at Main Cashiering and by satellite location supervisors at satellite locations.
- Reconciliations and monthly reviews will be performed by non-cash handling employees in Fiscal Services.
- Deposit to bank must be verified by someone other than the preparer.
- Collections for return checks, credit cards, and ACH returns will be processed by non-cash handling employees in Student Financial Services.
- The person processing returned payments may not also approve write-offs.
- Accounts Receivable records are secured from alteration by security roles in Common Financial System (CFS) and are handled by employees in Business and Financial Services.
- Individual accountability:
 - Each cashier must have a unique ID and password, a unique cash fund, and a secure receptacle to which only the cashier has access. Each cashier will be accountable for the safekeeping of their fund.
 - Cashiers must lock all cash and cash equivalents whenever leaving the immediate area
 - Documentation of cash differences (overages and shortages) will be maintained for each cashier and reviewed by the Main Cashiering Lead and Director of Student Financial Services on a monthly basis.
 - Mailed remittances must be verified and processed by separate individuals.

Petty Cash Funds and Change Funds ([ICSUAM 6320.00](#))

Petty Cash Funds and Change Funds (PCC Fund) are provided as a service at approved locations only. PCC Funds are established by the Campus CFO or their delegate at approved locations with requests and authorization of PCC Funds documented in writing. Departments/Individuals wishing to establish a PCC Fund must complete and submit an application to establish a cash fund form and submit to Main Cashiering Lead, who will review and submit to the Director of Student Financial Services for approval. Active PCC Funds will be documented and retained by Student Financial Services and Fiscal Services.

Each PCC Fund can only be used for the purpose for which it was authorized.

Custody of a PCC Fund shall be assigned to a single individual and cannot be independently transferred to another individual. That individual is the PCC Fund Custodian.

The PCC Fund Custodian is responsible for the amount advanced and must be appropriately trained for the role of PCC Fund custodian before fulfilling it. Training for newly authorized individuals will be provided by Main Cashiering Lead. Evidence of training to be retained by Main Cashiering Lead/Student

Financial Services.

To replenish a PCC Fund, a petty cash replenishment request form shall be submitted to Main Cashiering Lead/Student Financial Services where transactions and receipts are verified by both Student Financial Services and Accounts Payable.

Unannounced audits of a PCC Fund shall be documented and performed by someone other than the PCC Fund Custodian and the PCC Fund Custodian’s supervisor. Unannounced audits shall be done conjointly by at least two CSU San Marcos personnel at a minimum frequency as shown below. Discrepancies of unannounced audits are reported to the PCC Fund Custodian’s supervisor.

The following table shows the minimum frequency for audits and reconciliations of PCC Funds. An unannounced audit will satisfy the requirement of a regularly scheduled audit for that specific timeframe.

PCC Fund Size	Frequency
\$200.00 or less	Annually
\$200.01 to \$500.00	Quarterly
\$500.01 or more	Monthly

When not in use, a PCC Fund’s cash must be placed in a safe or locked receptacle, in a properly secured area, with access by only authorized personnel.

Petty Cash Funds and Change Funds must be separately maintained and not comingled. The integrity of a PCC Fund must be maintained at all times.

When a PCC Fund is no longer needed, or upon separation or transfer of its PCC Fund Custodian, the PCC Fund shall be closed out, reconciled, and its cash re-deposited at the Main Cashiering Office. Transfer of a PCC Fund to another person is never allowable. Upon need for a new PCC Fund Custodian, a new application to establish cash fund form is required to re-establish a closed PCC Fund.

Expenses that cannot be paid from a Petty cash Fund include, but are not limited to:

- Invoices from vendors
- Payments for services to employees or independent contractors
- Loans and advances
- Travel expenses (Except for mileage and/or parking expenses less than \$50.00 with no overnight stay)

Petty cash purchases, per payee per day, may not exceed \$50.00 per day. Splitting a transaction into multiple purchases to bypass the maximum allowed per day is not allowed. When a petty cash purchase is made, a receipt shall be obtained which contains the following:

- Date
- Name of vendor or payee
- Amount paid
- Positive evidence that a payment was made, i.e., a cash register receipt or a handwritten receipt on which the word “Paid” appears

- Description of the supplies or services purchased
- Signature indicating receipt of the supplies or services

Cash handlers shall not exchange checks for currency to make change for each other's Change Fund. All Change-making shall be done by a PCC Fund Custodian from the Change Fund's reserve.

In the event of theft, Campus Police shall be notified immediately. A request should be submitted requesting reimbursement of a PCC Fund including at minimum the following:

- Date and time of theft;
- Amount of theft;
- Circumstances involved;
- Copy of police report; and
- Prevention measures taken to mitigate future occurrences of theft

Security of Cash and Cash Equivalents ([ICSUAM 6330.00](#))

The CFO's designee (Associate Vice President of Business Financial Services or Director of Student Financial Services) is responsible for campus cash and cash equivalents handling activities in accordance with ICSUAM policies and for developing written procedures (this document).

Accountability:

Upon initial authorization and designation as a satellite cash handling site, Main Cashiering Lead/Student Financial Services will be responsible for training designated employees in cash and cash equivalents handling policies and procedures, after such times it is the responsibility of the Manager of each satellite location to train new employees and ensure annual reauthorization. It is also the responsibility of the manager of each satellite location to know who has authorization to cash and cash equivalents, why they have access, where cash and cash equivalents are, and what has occurred from beginning to end of the cash handling transaction cycle.

Segregation of Duties:

No single individual shall be responsible for the collection, handling, depositing, and accounting for cash and cash equivalents received by the unit. At least two authorized individuals must be assigned to carry out key duties of the handling process. More information can be found under [ICSUAM 6202.00](#).

Physical Security and Data Transmission Security:

The manager of each satellite location is responsible for ensuring that all times:

- Cash and cash equivalents in the custody of the cash handling unit are protected from theft or loss
- Technology resources involved in processing cash and cash equivalents (i.e., hardware and confidential personal information) are protected from loss, corruption, cyber threat, or compromise to confidentiality

Reconciliation of Accounts:

The manager of each satellite location is responsible for ensuring that:

- Cash and cash equivalents collected and reported as deposited are deposited to an approved depository bank account.
- General ledger recordings/transactions are accurate

Safekeeping of Funds:

Cash and cash equivalents should be physically protected using security systems, lockable receptacles, vaults, or safes. It is the responsibility of each campus to make whatever provisions are necessary to properly safeguard cash and employees in their area.

Managing Bank Accounts:

The use of personal banking accounts or any other non-authorized bank accounts by CSU employees for the depositing of and/or safekeeping of CSU funds is strictly prohibited. Treasury Operations establishes all stateside CSU banking arrangements with the CSU's banking partner. Additional sub-depository bank accounts may be requested by campuses with the approval of Treasury Operations.

Cash Handling Locations:

The establishment of any Cash Handling unit must be approved by the campus CFO or their designee (Director of Student Financial Services).

Cash Handling Employees:

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 characteristics to accept responsibility/accountability (see [ICSUAM 6201.00](#)). If electronic systems are used, a unique user ID, login, and password must be provided to each employee.

Handling Cash and Cash Equivalents:

Cash and cash equivalents must be protected against loss upon receipt, and at all points thereafter. Employees handling cash and cash equivalents must immediately establish a record of receipt. An official cash receipt shall be recorded for each transaction and a copy be provided to payers.

Excess cash must be removed from the cash register drawer during the business day and transferred to a secure lockable receptacle or vault. Excess cash limit is defined by the Director of Student Financial Services as \$25,000.

At the close of business, all cash must be secured per the physical security section. Cash equivalents (i.e., checks drawn on U.S. banks and issued in U.S. dollar values) must have a payee that is "California State University San Marcos" or "CSUSM". Cash equivalents not written to a payee, per these procedures, must be appropriately safeguarded and returned to the presenter no later than 30 days after receipt.

Cash handling units may only accept and record cash equivalents under the following criteria:

- Dating no earlier than 180 days prior to the date of acceptance (unless a shorter time period is clearly marked on the face of the instrument) and no later than the date of acceptance.
- Legible and consistent amount, both numeric and written.
- Proper account holder signature
- Cash equivalents stamped or otherwise identified as “Payable/Paid in Full” are not to be accepted and must be appropriately safeguarded and returned to the presenter no later than 30 days after receipt.
- Payee cannot be blank.
- Post-dated cash equivalents are not to be accepted.

Reductions of cash and cash equivalents must have supporting documentation. Approval in writing by the Director of Student Financial Services is required at the time of occurrence when practical, but no later than close of business on the day of occurrence. All voided receipts must be retained.

Depositing Cash and Checks

Cash handling units that accept cash equivalents will be provided with an official campus endorsement stamp, or its mechanical equivalent, that identifies the Cash Handling Unit. Immediately upon receipt, cash equivalents must be restrictively endorsed (endorsement stamp or its mechanical equivalent) with the phrase “for deposit only”.

The Main Cashier shall deposit at the bank no later than the next business day of receipt. Cash and/or cash equivalents are to be deposited, either physically and/or electronically. All other cash handling units must deposit to the Main Cashier in a timely manner, and at least within five (5) business days of receipt.

Cash handling units must deposit to the Main Cashier whenever excess cash exceeds \$1,000. Deposits meeting or exceeding these thresholds require a campus police escort or armored car.

Receipt of cash and cash equivalents should be verified, processed, and documented conjointly by at least two (2) employees before a bank deposit is finalized or change in custodian.

Counterfeit Currency

Cash handling units are responsible for utilizing reasonable care in screening cash transactions for counterfeit currency. If a questionable bill is received, the unit should retain possession of the bill and contact campus police immediately.

Foreign Cash

Campuses can accept only U.S. currency. No location shall accept foreign currency or foreign checks.

Foreign Checks

Any check not drawn on a U.S. bank, or which does not have a U.S. clearing bank listed on the face of the check shall be considered a foreign check, even if the check is payable in U.S. funds. Checks drawn on foreign bank accounts are not acceptable at their face value and must be sent to the depository bank for collection. Foreign checks must be sent to the depository bank for collection within 30 days after receipt.

Lost Cash Receipts

If an original receipt is lost, destroyed, or otherwise unavailable, campus procedures may authorize substitution of a duplicate receipt that contains all of the elements of the original receipt and is clearly marked “duplicate”, “copy” or some other designation that indicates the item is not the original document.

Operational Controls

Proper internal controls must be followed to safeguard employees and assets:

- Employees assigned cash and cash equivalent related duties shall be trained and accept their responsibilities. Newly established cash handling locations will be trained by the Main Cashiering Lead. While follow-up training can be requested by each location, thereafter it is the manager of each cash handling site’s responsibility to ensure each person authorized to handle cash is trained.
- Supervision of cash and cash equivalent activities shall be strictly and continually administered.
- Access to the Main Cashiering and satellite cashiering units should be limited to those authorized employees.
- Accessibility to funds and fund records shall be restricted to only authorized employees and shall be administratively controlled.
- Payments should be input into TRANSACT or tracked manually to ensure that all payments are fully documented, and there is an indisputable audit trail, which includes employee identifiers.
- Sequential numbered forms shall be used to document cash related transactions to enhance reconciliation and accountability.
- Cash and cash equivalent related transactions shall be recorded promptly during each step of the cash handling function.
- Change in custody of cash must be documented. In the event custody of cash needs to be reassigned, an updated application to establish cash collection site form must be completed, signed, and dated by both parties, and approved by the Main Cashier Lead.
- Documents used in cash related transactions shall be safeguarded against reuse, tampering, or unauthorized disposal.
- A record of overages and shortages is maintained.
- Cash held outside the Cash Handling Unit shall be maintained at the minimum amount possible.
- The approval of adjustments to cash and cash equivalent related transactions shall be administratively controlled with review by the Main Cashiering Lead and approval by the Director of Student Financial Services.
- Cash and cash equivalent related accounts shall be frequently reviewed and reconciled with subsidiary records by Fiscal Services.
- Cash equivalents received either in person or by mail shall be endorsed upon receipt and safeguarded until deposit is accomplished.
- In the event of the absence of key employees at a satellite location, the Main Cashiering Lead or Director of Student Financial Services can facilitate support and voids.
- Safe and/or vault combinations and keys to cash registers and receptacles is given to authorized employees only.

- Current documentation must be maintained showing authorized employees who have access to combinations and/or keys.
- Combinations must be changed when an employee leaves any cash handling site, or on a three-year cycle (and documented).
- Unidentified checks shall be immediately deposited and recorded as 'un-cleared'. A reasonable effort will be made to verify whether the check relates to the campus or funds shall be returned to the payee.

Security and Transportation

Cash and cash equivalents shall be physically secured using security systems, lockable receptacles, vaults, or safes. Generally, any amount of cash that exceeds \$1,000 must be maintained in a vault or safe. Amounts under \$1,000 should be maintained in a lockable receptacle.

Physical Security Standards

Amount	Stored
Up to \$1,000	in a lockable receptacle
\$1,001 to \$2,500	in a safe
\$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 1/2 inch
\$25,001 to \$250,000	in a class TL-15 composite safe or better
Over \$250,000	in a class TL-30 steel or better safe

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.

Transportation Standards

Transportation of deposits must always be a high priority and should not conform to any regular schedule. Transporting deposits between cash handling units, or to the bank, will be accomplished in a secure manner to protect the individuals, cash, and cash equivalents involved. Cash deposits must be hand-carried by authorized campus employees to the Main Cashiering location, or in special circumstances, campus police or armored car may be contacted to escort large cash and cash equivalent deposits. If a large portion of cumulative receipts is comprised of cash, deposits should be made more frequently. Endorsed checks may be routed to the Main Cashiering location via campus inter-office mail, provided that the unit sending the endorsed checks has retained copies of the item(s) for their records. The bank account number on the check of the remitting part should be blocked on any copies that the unit originally received and keeps on file.

Gifts and Donations

Cash and cash equivalents should be delivered to the Main Cashier along with any related correspondence immediately.

IRS Reporting Over \$10,000

Student Financial Services coordinates with Fiscal Services to report to the IRS all cash transactions exceeding \$10,000 (single transaction or accumulated multiple transactions) received in the course of a trade or business from the same person (individual, company, corporation, partnership, association, trust, estate) within a 12-month period as per [IRS Publication 1544](#).

Credit/Debit Card Payments ([ICSUAM 6340.00](#))

If a compelling need for a university department or program to collect funds by credit card at a department office or other location, the department must obtain approval from the CFO or their designee. This includes physical locations, websites, 3rd party processors, or any channel accepting credit card payments. Credit/Debit card payments can only be accepted at preapproved locations, using an approved CSU merchant card processor, and following all guidelines of the CSU San Marcos credit card acceptance procedures.

Student Financial Services will maintain a list of all locations and processors approved to accept credit/debit card payments. All requests for ordering of point-of-sale terminals should be routed through the Main Cashiering Lead and Student Financial Services. Satellite locations are required to notify Student Financial Services if the terminals will be decommissioned or relocated.

Cashiering sites accepting credit card payments shall use only Point of Sale (POS) terminals or equipment supplied to the location by the campus' merchant card processor.

In accepting credit card payments, CSU San Marcos and its auxiliaries are required to comply with the Payment Card Industry (PCI) Data Security Standards, which includes configuration for all point-of-sale terminals and systems to prevent retention of the full magnetic strip, card validation code, PIN, or PIN Block cardholder data once a transaction has been authorized. If any account number, cardholder name, service code, or expiration date is retained, it must be encrypted and protected according to [PCI standards](#).

Manual Processing of credit/debit cards

All manual requests to process a customer's credit or debit card must contain all the following:

- Properly signed/executed authorization from the cardholder, unless processing over the telephone as provided for in National Automated Clearing House Association (NACHA) guidance on telephone transactions
- Credit/debit card account number with expiration date
- The cardholder's correct billing address
- Authorization codes if the cardholder is not physically present

Transcription of card information in certain situations (e.g., imprint or manual transcription of card information) shall be secured, retained, and disposed of according to records retention schedules.

ACH Electronic Checks

Checks received and converted into an ACH transaction via TRANSACT online, CSU San Marcos and its auxiliaries are required to comply with National Automated Clearinghouse Association (NACHA) Operating Rules.

CSU San Marcos will not accept payment by email or fax transmission.

Returned Items ([ICSUAM 3102.06](#))

All returned items must be processed and resolved in a controlled and timely manner. Student Financial Services is responsible for processing uncollectable cash equivalent, ACH, and credit card payments. Items returned by the bank as uncollectable will be identified through a report in Wells Fargo Commercial Electronics Office (CEO) performed by Student Financial Services daily. Access to Wells Fargo CEO reports is limited by security roles in Student Financial Services.

Processing of returned items will begin no later than the next business day after report is run. Cash equivalent and ACH payments returned for insufficient funds must be redeemed by guaranteed funds.

Counterfeit currency recorded by the bank are documented as a cash shortage. Detections made on campus should be referred to the University Police Department.

Recording Deposits to the General Ledger ([ICSUAM 3102.08](#))

All deposits must be verified and recorded into the general ledger promptly and accurately and are to be made by authorized non-cash handling Student Financial Services personnel on the day of transaction or next business day, and within the same accounting period as the transaction.

Journal entries are only performed by Fiscal Services, and are reviewed by a Supervisor prior to posting, and in conjunction with month-end reconciliations.

All unidentifiable deposits will be posted to a specific “un-cleared collections” account. This account must be reconciled on a timetable consistent with the campus reconciliation procedures. Fiscal Services is responsible for researching and resolving items posted to the un-cleared collections account in a timely manner.

Bank Reconciliations ([ICSUAM 3102.09](#))

Fiscal Services is responsible for bank reconciliations to campus books on a monthly basis. Documentation will be made of any reconciling items. Reconciliation will be reviewed and approved by a supervisor.