

UC Davis Policy and Procedure Manual

Chapter 330, Financial Management and Services

Section 55, Departmental Cashiering Operations

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Responsible Department: Accounting and Financial Services

Source Document: Business and Finance Bulletin BUS-49, Policy for Cash and Cash Equivalents Received

I. Purpose

This section describes departmental responsibilities for handling and processing cash and cash equivalents and central campus administrative departments' responsibilities related to cashiering, to ensure that cash and cash equivalents are protected, accurately processed, and properly reported.

II. Definitions

- A. Cash (including cash equivalents)—currency, coins, checks, credit card recordings, traveler's checks, cashier's checks, registered checks, money orders, all negotiable and non-negotiable instruments or contracts representing either money or other property that can easily be converted to currency (e.g., stamps, tokens, parking and event tickets), and e-commerce (Automated Clearing House and other debit and credit transactions).
- B. Cash-handling department—operating unit that typically collects cash or cash equivalents and deposits to either a major cashiering station or a subcashiering station (e.g., gifts, donations, telephone and photocopy charges).
- C. Cashiering employee—any employee engaged in a cash-handling function at a major cashiering or subcashiering station.
- D. Major cashiering station—operating unit to which official operating cash funds are issued and from which collections are deposited directly to a bank.
 - 1. The six major cashiering stations at UCD are the Main Cashier's Office, Dutton Hall; UCD Bookstore; ASUCD Cash Office; UCDCM Cashier's Office; UCDCM Dietary; and UCDCM Ambulatory Care Center Dietary.
 - 2. The Main Cashier's Office and UCDCM Cashier's Office are open to University departments, faculty, staff, and students as well as to the general public.
- E. Subcashiering station—operating unit from which collections are deposited with the Main Cashier's Office or the UCDCM Cashier's Office. These units typically perform cashier activities as a primary function and operate cash-handling equipment (e.g., Athletics and Recreation Center, Veterinary Medicine Teaching Hospital).

III. Policy

- A. Individual accountability for cash shall be maintained throughout all cashiering operations.
 - 1. All transfers of cash accountability shall be documented on a Cashiering Station Cash Accountability Transfer Receipt. Each transfer should be documented by type of cash (i.e., currency, checks, and other forms of payments).
 - 2. Ensure that documentation exists so that employees involved in the process of handling cash and cash equivalents can be held responsible for fulfilling their duties.
 - 3. Ensure deposits are made and reported in a complete, accurate and timely manner.

- B. Separation of duties shall be maintained when cash is received.
 - 1. No single person shall have complete control of cash transactions.
 - 2. Tasks incompatible with cashiering (e.g., collection follow-up of accounts receivable, distribution of payroll or other checks) shall not be performed by cashiers.
 - 3. The person collecting cash, issuing cash receipts, and preparing the DaFIS Statement of Cash Collections shall be someone other than the person performing the monthly review of the DaFIS Transaction Log or DaFIS Transaction Listing by Account or the person maintaining accounts receivable records (see Section [330-11](#)).
 - 4. Mail remittances shall not be verified and processed by the same employee.

IV. Roles and Responsibilities

- A. Subcashiering stations
 - 1. Maintain numerical sequence control over cash register transaction numbers and handwritten receipt numbers.
 - 2. Verify to cash register tapes or other numerically controlled receipts all collections reported at the time the entries to the general ledger are prepared and approved.
- B. Accounting and Financial Services
 - 1. Maintains the integrity of the general ledger, bank reconciliation, and follow-up on reconciling items.
 - 2. Reviews and approves journal entries.
 - 3. Communicates any significant discrepancies in supporting documentation to the department head.
 - 4. Performs a surprise cash count and verification of change funds for which cashiering employees are accountable on a periodic basis, but at least annually, in the presence of the fund custodian.
 - 5. Investigates notices from the depository bank of deposit overages or shortages.
- C. Campus Cashier Coordinator

Approves exceptions to the policy or specific procedures when impractical for a department to implement.
- D. Internal Audit Services
 - 1. Periodically audits cashiering operations.
 - 2. Establishes the audit intervals to be observed.

V. Procedures for Cash Collections

- A. Immediately upon receipt, checks shall be restrictively endorsed for deposit only.
 - 1. An official endorsement stamp or its mechanical equivalent, identifying the cashier and the department, shall be provided to each cashier.
 - 2. Checks in payment of accounts receivable or received by a department in error shall be mailed directly to the Main Cashier's Office or the UCDCM Cashier's Office.

- B. Coin and currency received through the mail in payment of a receivable shall be counted and documented (e.g., memo to file).
 - 1. The deposit shall be sent either directly to the Cashier's Office via armored service or taken in person so a receipt of the coin and currency can be issued.
 - 2. These collections should not be included on a Statement of Cash Collections.
- C. An official UC cash receipt shall be recorded for each collection.
 - 1. A copy of the receipt shall be provided to payers making an in-person payment and to payers making currency and coin payments through the mail.
 - 2. Although receipts shall be produced for check payments received through the mail, the mailing of a receipt to the payer is only required when the payer has requested a receipt.
 - 3. Admission tickets sold at an event site constitute a receipt (see Section [270-45](#)).
- D. Collections by a cashiering station must be recorded upon receipt. All other checks must be included in a Statement of Cash Collections.
- E. Under no circumstances shall checks be routed to other offices to obtain recording information.
 - 1. When the proper account(s) to which a check should be credited cannot be readily determined, the check shall be sent to the Main Cashier's Office.
 - 2. A "Cash Received Undistributed" recording shall be made and a copy of the check will be distributed to the appropriate offices for reference to determine the account distribution.
- F. Reductions of recorded cash accountability (e.g., voids or refunds) must be supported by all copies of the documents involved, explained, and approved in writing by the cashier's supervisor at the time of occurrence where practical, but no later than the end of the day, preferably with the cashier present.
- G. A collection not recorded on cash register or point of sale equipment must be recorded on an official Cash Receipt for Departmental Sales.
 - 1. Receipts should be used sequentially.
 - 2. The form must include a statement that the form is recognized as a receipt only after validation by cashier's or cash handling employee's initials, or by validation stamp to identify the cashier or cash handling employee recording the transaction.
 - 3. All voided receipts must be retained.
- H. International checks must either be drawn in U.S. currency on a U.S. bank or drawn on the same currency as where the check is drawn (e.g., Canadian dollars on a Canadian bank).

To deposit a check that does not meet this standard, contact the Main Cashier's Office for instructions.
- I. Check Cashing
 - 1. Personal checks up to \$100.00 made payable to The Regents of the University of California or to the UC Regents, and University checks under \$500.00 payable to an individual, may be accepted in exchange for cash. Personal check-cashing service is authorized only at the Main Cashier's Office and sub-cashiering stations that have been approved by the Campus Cashier Coordinator. The UCD personal check-cashing service fee shall be collected for each personal check cashed.

2. Employees of a cashiering station must not cash checks for themselves or for other members of the cashiering station's staff.
3. Cashiers must not cash collection checks for each other to make change. Such change making must be handled by the custodian of the reserve change fund.
4. A check-cashing stamp must be applied to all checks cashed, including those partially cashed (e.g., change given back). The date, the amount of cash paid out, the signature of the person receiving the cash, and the cashier's initials or some electronically assigned identifier shall be entered on the check-cashing stamp.
5. Students presenting checks to be cashed must present their current photo identification registration card. Other individuals must present two forms of identification, one of which is a photo identification such as a driver's license or Department of Motor Vehicles identification card. The cashier must compare the photo with the person presenting the check. The identification type, number, and expiration date must be entered on the check.

VI. Procedures for Cash Deposits

- A. Current day collections of major cashiering stations must be deposited the same day, or by the following business day at the latest, at a University depository bank. All bank deposits must be accompanied by appropriate documentation (e.g., a numbered deposit slip).
- B. Accumulated collections at subcashiering stations shall be deposited at the Main Cashier's Office or at the UCDCM Cashier's Office at least weekly or whenever collections exceed \$500.
- C. Deposits shall be prepared with more than one person present or in an area that is equipped with an electronic surveillance system.
- D. Deposits shall be adequately safeguarded while in transit.
 1. The UCD Police Department shall be requested to escort coin and currency deposits in excess of \$2,500 and all special event deposits.
 2. The Campus Cashiering Coordinator shall designate those subcashiering stations that will use commercial armored car service to transport recurring large deposits of coin and currency.
- E. A Statement of Cash Collections (SCC) must accompany each deposit to the Main Cashier's Office or the UCDCM Cashier's Office from a subcashiering station.
 1. Davis campus department.
 - a. A DaFIS SCC shall be prepared for each deposit
One signed copy of each SCC shall be printed.
 - b. The remittance stub portion must accompany the deposit to the Main Cashier's Office.
 - 1) A breakdown of coin and currency must be included on the SCC.
 - 2) If more than one check is deposited, a tape listing the checks must be included.
 - 3) Deposits with coin and currency must be either delivered in person, in dual custody, or by armored transport or dropped in the Main Cashier's Office night drop with appropriate security bags.

- c. The initiator shall indicate in the Explanation field on the DaFIS SCC document the handwritten cash receipt number or cash register tape date associated with the deposit being made.
 - d. The top portion of the SCC must be signed and supporting detail (e.g., cash register tapes, copies of handwritten receipts, voids) shall be forwarded to Accounting and Financial Services—Internal Control by the subcashiering station on the day of the deposit.
 - e. Deposits over \$5,000 to an Agency Account (AGENCY) or University Related Event Account (OTHUNIV, SSSOM1) must also forward supporting documentation showing the deposit amount, purpose, and intended use of the funds to Accounting and Financial Services—Internal Control on the day of the deposit.
 - 1) The deposit shall be placed in a “cash received undistributed” account until General Accounting validates the supporting documentation submitted with the funds to determine that the funds deposited are appropriately reported in those accounts.
 - 2) Following validation, the funds shall be transferred to the designated account listed on the SCC.
 - f. Subcashiering stations in departments must ensure numerical control of official cash receipt documents and should maintain records to explain missing receipts.
 - g. The major cashiering station shall record each deposit from a subcashiering station. All cash deposits shall be counted in dual custody.
 - h. Receipts for SCCs shall be emailed to the preparer the evening of the deposit. The preparer will receive a written receipt for all deposits that contain currency.
2. UCDCM departments
- a. A UCDCM Statement of Cash Collections and Receipts Issued, signed by the preparer to certify the information is correct and true, must accompany each deposit to the UCDCM Cashier’s Office from a subcashiering station.
 - b. A copy of this report and supporting details (e.g., cash register tapes, copies of handwritten receipts, voids) shall be forwarded directly to Accounting and Financial Services—Internal Control by the subcashiering station on the day of the deposit.
 - c. Subcashiering stations in department shall ensure numerical control of official cash receipt documents and maintain records to explain missing receipts.
3. Over/short amounts
- a. If cash on hand does not equal the total of the handwritten cash receipts or cash register tape, the initiator shall record and over/short amount by inserting an accounting line on the SCC and coding it as [department COA/account]/0056.
 - b. If an SCC is out of balance when received by the Main Cashier’s Office, the adjustment will be documented and forwarded to both the preparer and Internal Control by email.
 - c. Significant or recurring cash overages or shortages must be verified promptly.
 - d. If misuse is suspected, see Section [380-17](#).
4. Sales tax

If the department has collected sales tax, the amount shall be recorded by inserting an accounting line on the SCC and coded as follows:

- a. Davis campus (Yolo County): 3/1155100/0510
- b. UCDCM (Sacramento County): 3/1155110/0510
- c. For sales in other counties, contact Accounting and Financial Services—Tax Services (530-757-8936).

F. Returned checks

1. Checks that are deemed uncollectible are to be returned by the bank to Accounting & Financial Services, Student Accounting Division.
2. Checks returned to the campus must be controlled during the process of attempting to collect on the returned amount. Accounting & Financial Services, Student Accounting provides oversight over the returned check process.

G. All forms (Cash Receipt for Departmental Sales; Subcashiering Station Statement of Cash Collections and Receipts Issued; Statement of Cash Collections; Cashiering Station Accountability Transfer Receipt), tamper evident deposit bags, and night deposit bags with built-in locks can be purchased through UCD Buy.

H. Official endorsement stamps shall be obtained through the Internal Control Department (530-757-8511).

I. Additional information is available through the Cashier's Office (<http://cashier.ucdavis.edu>).

VII. References and Related Policies

A. Office of the President:

1. Business and Finance Bulletin [BUS-49](#), Policy for Cash and Cash Equivalents Received.
2. Accounting Manual Section [c-173-14](#), Cash: Campus Cash Collection Deposits.

B. UCD Policy and Procedure Manual:

1. Section [270-45](#), Ticket Sales.
2. Section [330-11](#), Departmental Financial Administrative Controls and Separation of Duties.
3. Section [330-35](#), Credit and Debit Card Merchants.
4. Section [330-43](#), Official University Bank Accounts.
5. Section [330-46](#), Cashiering Change Funds.
6. Section [330-55](#), Departmental Cashiering Operations.
7. Section [350-85](#), Loss of or Damage to University Property.
8. Section [380-17](#), Improper Governmental Activities.