

UC Davis Policy and Procedure Manual

Chapter 330, Financial Management and Services

Section 59, Departmental Cashiering Operations Physical Security

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Responsible Department: Accounting and Financial Services

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

I. Purpose

This section describes the requirements for physical security of cash and cash equivalents, and the control requirements for cashiering equipment used in major cashiering stations and subcashiering stations.

II. Policy

All cash shall be physically protected from loss at all times.

III. Security

A. Employee requirements

1. The employment history of prospective cashiering employees shall be verified by the hiring department prior to making a formal employment offer to the applicant.
2. All prospective employees shall be fingerprinted and a background check for criminal convictions shall be conducted by the UCD Police Department to ensure insurability. See <http://www.hr.ucdavis.edu/salary/comp/background-check> for information regarding background checks.
3. Continuing insurability is a condition for retaining cash handling responsibilities
 - a. If an employee is subsequently convicted of a crime while employed in a cashiering station, the conviction must be reported to Risk Management Services.
 - b. If insurability cannot be maintained, the employee must be transferred to a non-cash-handling position or terminated if no position is available.
4. Cash handling training shall be provided to new employees upon hire and at least once per year thereafter.

B. Physical protection of cash

1. Requirements for the physical security of cash are available in BFB BUS-49, IX.1-17.
2. Requirements for the review and approval of alarm systems are available in Section [360-35](#).
3. Only authorized individuals are allowed in cashiers' work areas.
4. Cashiering stations must be opened for business and closed at the end of working hours in the presence of a second person to observe the general area.
5. Stations that collect currency and coins more than \$7,500 on a daily basis should be protected by doors and windows as follows:
 - a. Each door from a public or general area used daily for entrance and exit shall have an automatic door closer, be a solid core door or be reinforced with sheet metal, and be outfitted with a peephole or other visual monitoring device.

- 1) The door shall be equipped with a latchbolt that is retracted by lever from the inside and only by key from the outside.
 - 2) The outside lever shall always be fixed in a locked position.
 - 3) The door lock shall also contain a deadbolt that is thrown or retracted by an inside thumbturn. Turning the inside lever must retract both deadbolt and latchbolt simultaneously.
- b. A door used only as an emergency exit shall have an automatic door closer and be a solid core door or be reinforced by a metal sheet.
- 1) The door shall be equipped with a deadbolt, retractable by a crash bar.
 - 2) The door shall be wired to a central alarm point if such coverage is available; otherwise, it may have a local alarm only.
 - 3) The alarm will be triggered whenever the door is opened.
 - 4) Numbered breakable seals shall be affixed to the door to assure that a key cannot be used for undetected entry.
 - 5) The sealing, recording, and monitoring of numbered seals shall be by a person who does not have access to a key.
- c. Keys to the doors will be manufactured with cylinders whose blank keys are not available to the general consumer and therefore cannot be duplicated.
- d. Keys to the doors will be numbered, and a written record of key issuance to employees will be maintained in the cashiering station.
- C. Reporting losses
1. Known or suspected misappropriations or misuse shall be reported to the Locally Designated Official as described in Section 380-17.
 2. All other losses, including theft, robbery, or burglary, as well as any attempts, shall be reported immediately to the UCD Police Department and other appropriate departments as described in Section [350-85](#).

IV. Equipment Requirements

- A. Cash registers and point of sale equipment
1. All cash registers and point of sale equipment shall produce a cash receipt for each customer.
 2. The equipment shall have a feature for machine validation of cash-related documents.
 3. The cash-recording equipment shall be controlled by unique consecutive numbers generated automatically and recorded with each transaction, as well as imprinted on the customer receipt.
 4. The numbering mechanism providing consecutive transaction number control shall be accessible only to the manufacturer's service representative or appropriate personnel who are independent of that cashiering station.
 5. A unique identifier that is not accessible to other people shall be assigned to each cashier/remittance processor.

6. A cash register drawer, cash drawer insert, and an endorsement stamp or its mechanical equivalent shall also be provided.

Cashiers shall lock all cash in their cash drawer whenever they leave the immediate area.

7. Excess cash shall be removed from cash register drawers during the business day and be transferred to a secure cash-handling area/vault.
 - a. Such transfers shall be documented in accordance with Section [330-55, III.A.1](#).
 - b. When possible, each cashier shall have an extra secure cash compartment in which to store his/her excess cash.
8. At the close of business, all cash shall be removed from cash registers and secured in accordance with [BFB, BUS-49, IX](#).
9. Cash registers shall not be left with the total amount of receipts showing in the cash register window. The window shall be cleared to zeros or be covered, and the drawer shall be left open.
10. Voids and refunds shall be controlled by a supervisor.

B. Remittance processor

1. The remittance system must provide a statement of activity, report, or electronic notification to individual or departmental customers.
2. The remittance processor shall have a feature for the machine validation of cash-related documents.
3. The remittance processor operation shall automatically generate unique consecutive numbers to be recorded with each transaction.
4. The numbering mechanism that provides consecutive transaction number control shall be accessible only to the manufacturer's service representative, or appropriate personnel independent of that cashiering station.
5. A unique identifier that is not accessible to others shall be assigned to each cashier.
6. At the end of each day, all applications shall be closed and all equipment must be shut down.
7. Voids and refunds shall be controlled by a supervisor.

C. E-commerce

1. The department's Internet response page must display a confirmation number for customers when transactions are complete.
2. The system shall assign station/location and consecutive transaction numbers.
3. The numbering mechanism that provides consecutive transaction number control shall not be accessible to cash handling employees or to employees responsible for maintaining the Web site.
4. The system must identify the departmental server from which transactions are generated.
5. Refunds shall be controlled by a supervisor.

D. Safes

Standards for and access to safes must be compliant with [BFB BUS-49, IX](#).

V. References and Related Policies

- A. Business and Finance Bulletin [BUS-49](#), Policy for Cash and Cash Equivalents Received.
- 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 [330-55](#), Departmental Cashiering Operations.
 - 5. Section [350-85](#), Loss of or Damage to University Property.
 - 6. Section [360-35](#), Security Alarms.
 - 7. Section [380-17](#), Improper Governmental Activities.
- C. Personnel Policies for Staff Members Policy [21](#) and UCD Procedure [21](#), Appointment.
- D. UC Davis Background Check Implementing Guidelines.