

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

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See Section 330-55, Departmental Cashiering Operations--Policy Overview.

I. All cash must be physically protected from loss at all times

- A. Only authorized individuals are allowed in the cashiers' work area.
- B. Cashiering stations must be opened for business and closed at the end of working hours only in the presence of a second person to observe the general area.
- C. The procedure of counting cash must not be visible from outside the office.
- D. All cash must be locked and secured when not in use.
- E. The amount of funds held overnight should be minimized. Coin and currency kept overnight shall be placed in a safe or a locked receptacle kept in a properly secured area (e.g., a locked desk or cabinet in a locked office). As an alternative, a campus night depository located at the southwest exterior corner of Dutton Hall may be used for overnight storage of deposits.

II. Cashiering Equipment Control 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. 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.
 - 6. Excess cash shall be removed from cash register drawers during the business day and be transferred to a secure cash-handling area/vault. Such transfer shall be documented in accordance with Section 330-57, I. When possible, each cashier should have an extra secure cash compartment in which to store her/his excess cash.

7. At the close of business, all cash shall be removed from cash registers and secured in accordance with III, below. Cash registers shall not be left with the total amount of receipts showing in the cash register window; either the cash register window shall be cleared to zeros, or the window shall be covered and the drawer shall be left open.
8. 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 completed.
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. Sale of admission or event tickets (see Section 270-45).

III. Safe

Cash and cash equivalents must be locked in a secure receptacle or safe at all times except when signed out by a cashier for working cash.

A. Access to the safe

1. To the maximum extent practicable, a safe must be locked between deposits during business hours.
 2. A safe combination shall be given only to supervisory and authorized personnel, who must commit the combination to memory. A record of the combination, sealed to prevent undetected access, must be maintained away from the safe area and properly secured.
 3. A safe must be opened in such a way that other persons do not see the combination.
 4. A safe combination must be changed whenever a person who knows the combination leaves the employ of the cashiering station or transfers within the University to a position in which knowledge of the safe combination is no longer required. In addition, the combination must be changed at least once a year. Documentation must be maintained showing the date and reason for combination changes.
 5. Each cashier must be provided with a separate, lockable compartment in the safe to which only that cashier has access. Duplicate keys must be maintained under dual custody.
 6. Funds or property not related to the operation of the University must not be stored in the safe/vault.
- B. Risk management standards require the use of lockable receptacles or burglarproof/fireproof safes to store cash as follows:
1. Up to \$1,000 in a properly secured lockable receptacle.
 2. From \$1,001 to \$2,500 in a safe rated a minimum of fireproof, Underwriters Laboratory (UL) class 350-1 (one-hour), UL "C" or equivalent, with a combination lock.
 3. From \$2,501 to \$25,000 in a steel door safe with a door thickness of not less than one inch and steel wall thickness of not less than one-half inch.
 4. From \$25,001 to \$250,000 in a class TL-15 composite safe.
 5. Over \$250,000 in a class TL-30 steel or better safe.

IV. Alarm requirements

- A. If more than \$2,500 in cash and securities is regularly on hand, a manual robbery alarm system must be installed for use during business hours to alert the UCD Police Department in the event of an emergency. Alarm systems shall be reviewed and approved by the UCD Police Department prior to purchase. (See Section 360-35.)
- B. If more than \$5,000 in currency and coin is stored, an alarm system is required to alert the UCD Police Department if the storage area is entered outside of business hours.
- C. If more than \$25,000 in cash and securities is stored, an alarm system shall also be installed on all safes/vaults. Alarm systems shall be reviewed and approved by the UCD Police Department prior to purchase. (See Section 360-35.)

V. Change Funds over \$10,000

Change funds that are over \$10,000 must be kept in dual custody. Dual custody requires two people to access the cash at any given time by physically restricting the access to the vault or safe. The physical restriction is achieved through the use of two different keys given to two different people or groups to access the change fund. When funds need to be accessed, the safe must be opened in dual custody; when the transaction is complete, the safe must be locked under dual custody.

VI. Physical Security

Appropriate physical security should be provided at all cashiering stations and must be reviewed by the Campus Cashier Coordinator, together with Risk Management and the UCD Police Department. As a general guideline, if a station collects currency and coin more than \$7,500 on a daily basis the work area 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. The door shall be equipped with a latchbolt that is retracted by lever from the inside and only by key from the outside. The outside lever shall always be fixed in a locked position. 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 with sheet metal. The door shall be equipped with a deadbolt, retractable by a crash bar. The door shall be wired to a central alarm point, if such coverage is available; otherwise, it may have a local alarm only. The alarm will be triggered whenever the door is opened. Because the alarm may be shunted and the door opened with a key, numbered breakable seals shall be affixed to the door to assure that a key cannot be used for undetected entry. The sealing, recording, and monitoring of numbered seals shall be by a person who does not have access to a key.
- C. In accordance with the California Code of Regulations, Title 8, Section 3235(e), "Locking exit doors shall be openable from the direction of exit travel without the use of a key or any special knowledge or effort whenever the building is occupied."
- D. Keys to the above doors will be manufactured with cylinders whose blank keys are not available on the general consumer market and therefore cannot be duplicated. The keys to the doors will be numbered, and a written record of key issuance to employees will be maintained in the cashiering station.