# Cash/Check Handling Procedure

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<th>Standard Operating Procedure:</th>
<th>Cash/Check Handling Procedure</th>
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<td>Division:</td>
<td>Financial Services</td>
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<td>Effective Date:</td>
<td>05/10/2022</td>
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<td>Executive Director Approval:</td>
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<tr>
<td>Reference to ASC or State Policy:</td>
<td>CSU Policy on Security of Cash and Cash Equivalents</td>
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## I. PURPOSE:
Cash/Check Handling Procedure is to establish internal controls for processing cash receipts and to ensure that payments are deposited into CSU Fullerton Auxiliary Services Corporation (ASC) in a timely manner and recorded into the appropriate project accounts.

## II. SCOPE:
This procedure applies to all CSUF and ASC employees who handle cash and cash equivalents activities from various types of operations. The term of cash and cash equivalents include currency, coin, checks and money orders.

## III. OBJECTIVE:
Cash/check handling procedure is to maintain an adequate separation of duties in the area of cash handling and ensure the physical security of cash and cash equivalents to be deposited into ASC bank accounts and to be recorded in a timely manner.

## IV. PROCEDURE:

**Unit Depositing Procedures:** All units must document the deposit of cash by obtaining a receipt or copy of deposit slip [https://www.fullerton.edu/asc/finance/forms.php](https://www.fullerton.edu/asc/finance/forms.php) that indicates the date, amount and initials of the person making the deposit. It is the responsibility of the unit giving up possession of the deposit to ensure that a receipt has been obtained. Units are also responsible for the security of cash on hand. Enterprise deposits brought to the vault by the units are to be documented in the cashier’s deposit log by both the depositor and the cashier.

All checks should be endorsed immediately upon receipt. Counted deposits are those that have been counted by the depositing unit prior to being turned in to the ASC cashier or ASC vault. The cash bag must be sealed when the units are ready to deposit to the ASC cashier or vault. All deposits should be verified that the deposit transmittals or deposit slip has a signature, the date of sales, project number and amount and the cash bag must be sealed when received from the units by the ASC cashier or ASC vault. These deposits are normally receipts from cash register sales and program income and consist of cash, checks, and credit card sales. The register tape or point of sales report should be initiated by the unit manager or their designee. Voids are made on the register by key from the unit manager or their designee only.
1. The cash deposit to the ASC cashier will be counted by the cashier, supervisor or appointed administrative employee. Any corrections to the deposit transmittal or deposit slip should be noted and notified to the unit manager or their designee.

2. ASC cashier will send a copy of the cash receipt to the depositing unit.

3. The deposit bags will be picked up by the third-party vendor to be deposited to the ASC bank accounts. The third-party vendor signs the log when the deposit bags are picked up.

**Timely Deposits:** The ASC cashier may receive deposits in several different ways depending on the type of unit operation. In each case, however, accountability and documentation must be maintained. All departments collecting monies on behalf of the ASC must deposit the funds timely. The appropriate method in which deposits are received and the corresponding cashier procedures are as follows:

1) Projects receiving more than $500.00 per day are required to make deposits with the ASC cashier, the next business day.

2) Projects receiving less than $500.00 per day are required to make deposits when they accumulate $500.00, or weekly, whichever comes first with the ASC cashier.

3) Projects are required to deposit all cash and checks at least weekly, regardless of the amount collected.

4) If the staff fails to meet any of the above criteria, the ASC Cashier will notify the project’s manager via email with a copy to the ASC financial services manager. If the late deposit pattern continues, the Project Director will be notified, with a copy to the ASC Executive Director and department Dean. If the pattern of late deposits still continues, a meeting will be held with the Project Director(s), Executive Director, and Dean to resolve the issue.

5) A representative making a deposit should always receive a cash receipt from the ASC cashier to verify that funds were deposited.

6) Under no circumstances are deposits to be forwarded to the ASC cashier's office through campus mail. Never place deposits in the ASC mailbox or front desk inbox.

**Recording to the General Ledger:** Bank deposit must be reviewed, approved and recorded to the general ledger in a timely manner. All bank deposits must be accounted for in the general ledger during the appropriate month.

The cashier with cash handling responsibilities cannot prepare and post journal entries. The accountant is responsible for preparing journal entries. All journal entries must be reviewed, approved, and posted by financial services manager or their designee. The preparer and reviewer/approver must be different persons.

**Physical Security & Safekeeping of Deposits:** Cash and cash equivalents in the custody of the cash handling unit are protected from theft or loss.
Cash and cash equivalents should be physically protected through the use of security systems, lockable receptacles, vaults, or safes. It is the responsibility of each unit to make whatever provisions are necessary to properly safeguard cash and employees in their area.

In the event of theft, Campus Police and the Executive Director shall be notified immediately.

V. **APPROVALS:** Executive Director or designee.

VI. **CONTROL & COMPLIANCE:** The bank deposit will be reviewed by an accountant and the bank reconciliation shall be reviewed by Controller and the Executive Director.