

## Cash Collection Point Procedure Manual

### 1.0 Purpose

The purpose of this document is to establish procedures for cash collection points processing of collections based on the [Integrated CSU Administrative Manual](#) . (ICSUAM Section 6000). This manual outlines procedures for the establishment and maintenance of cash collection points, as approved by the Controller of Financial Services.

### 2.0 Objective

Cash collection procedures are used to ensure that controls are established to account for, collect and document in a timely manner the physical security of Cash and Checks over all University collections and to protect against and detect the unauthorized use of University funds.

### 3.0 Definitions

*Cash collection point* is defined as any place where payment is collected on behalf of the University, then transferred to the Cashier's Office for depositing funds with the bank.

### 4.0 Responsibilities

#### 4.1 Controller of Financial Services

As delegated by Executive Memorandum 1000 the Chief Financial Officer of Humboldt State or his/her designee will designate (1) authorized CSU personnel, Cashiers, who will function as the only employees authorized to handle incoming Cash and Check, and (2) Cash and Check collection locations that will function as the only authorized locations for incoming Cash and Checks. The Controller of Financial Services with assistance from the Cashier's Manager is responsible for monitoring and reviewing procedures regarding the processing of cash receipts.

#### 4.2 Cash Collection Point

Each cash collection point is responsible for ensuring that all collections are made in accordance with established procedures. The collection point is responsible for ensuring that the cash processing function is segregated and appropriate internal controls are in place and operating effectively.

### 5.0 Establish Cash Collection Point

#### 5.1 Authorization

To accept payments on behalf of the university, you must be an approved cash collection point. Complete [Establishment of Cash Collection Point Authorization Form](#) with authorizing parties. The Controller of Financial Services and Campus Risk Manager will approve all authorization forms. A site visit will be performed by the Cashier Manager and the Risk Manger prior to any approval to verify all safeguards are in place.

Departments will be require to re-certify their location each year. An annual site visit will be scheduled by the Manager of Student Financial Services. The cash handling coordinator for the department will be required to complete an in-person training and provide documentation of cash handling training for all staff.

Once approval has been obtained the Cashier's Manager will meet with the department to provide appropriate banking supplies, review staff training and discuss business processing for collection of cash and cash equivalents. All employees accepting cash will be required to complete yearly training on cash handling.

If credit card payments will be received at the location, all employees will be required to complete yearly PCI Training and certification.

## 6.0 Cash & Cash Equivalents Collection

### Procedures and Internal Control Guidelines:

- a. The department should be staffed with two or more persons during times that payments will be accepted.
- b. Only train cashier will be allowed to accept cash and cash equivalents at any cash collection point. Student employees must be supervised at all time by staff.
- c. All employees with direct access to, or control over, cash, checks, other cash equivalents, credit cards and/or credit card account information are considered to hold Sensitive Positions and are subject to background checks in accordance with HR Coded Memo 2015-10 policy.
- d. The person responsible for the cashiering input is the only person who can have access to the money collected and should safeguard the collections. Cashier must maintain a report of cash collections by tender (i.e. currency, check, other forms of payment).
- e. The person who has access to collect/handle the money cannot authorize refunds and must obtain documented approval from supervisor or designee to void/cancel a transaction.
- f. If payment is made in person, individual must receive pre-numbered sequential receipt. A collection not recorded on a cash register or the University Cashiering Software, "CASHNET", must be recorded on a valid pre-numbered, multiple-part Cash Receipt. The receipts must be used sequentially. Receipt stock shall be kept secured, inventoried and regularly reviewed to prevent and detect alteration. Cash collection point should keep duplicate copy of the receipt.
- g. Student or Employee ID numbers should be recorded on all payments when applicable.
- h. Campus personnel should direct payments to be payable to Humboldt State University or a reasonable variation. Checks cannot be dated earlier than 180 days prior to the day of acceptance and no later than day of acceptance. Checks cannot say "payable/paid in full" or be two-party.
- i. Checks received must be restrictively endorsed by the end of the business day (endorsement stamp).
- j. All payments solicited to be received through the mail should be addressed to the HSU Cashier's Office. The cashier's office will process the payment timely, notify the department of the deposit, and provide any documentation needed. If payments are inadvertently received through the mail anywhere other than the cashier's office they must be logged, restrictively endorsed and follow procedures in "7.0 Depositing Payment" below.
- k. Under no circumstances will payments be routed to other offices to obtain recording information. When the proper chartfield to which payment should be applied cannot be readily determined by the end of the business day, it will be deposited and recorded as "uncleared collections". Copies of the payment will be forwarded to departments to research correct recording instructions.

## 7.0 Depositing Payment

### Procedures and Internal Control Guidelines:

- a. Deposits must be verified against system generated or logged totals
- b. Deposits must be sealed in a tamper-free bag or in a locked deposit bag
- c. A cash receipt report must be prepared in advance to depositing funds at the cashier's office and should include: total amount deposited by type of payment, descriptions of overages/shortages and cashier responsible, name of person making deposit, chartfield to be applied, and any other pertinent information.
- d. Cash Collection Points utilizing the CASHNet Cashiering System will be required to transfer deposits to the Main Cashier's Office on a daily basis. All other Cash Collection Points using alternative Point of Sale Devices, tickets or hand receipts shall deposit to the Main Cashier's Office at least once a week or whenever excess cash exceeds \$1,000 or cash and cash equivalents accumulatively exceeds \$5,000.
- e. Transportation of deposits must always be a high priority and should not conform to any regular schedule. Transporting deposits between Cash Handling Units will be accomplished in a secure manner to protect individuals, cash, and cash equivalents involved.
  - Cash deposits under \$1000 must be hand-carried by an authorized campus employee to the Main Cashier's Office.
  - Cash deposits exceeding \$1,000 must be transported by a campus police escort or armored car.
  - Check only deposits under \$5,000 must be transported by an authorized campus employee
  - Cash and cash equivalents accumulatively exceed \$5,000 must be transported to the Main Cashier's Office and/or bank by campus police escort or armored car.
- f. Upon delivery at the cashier's office a log will be signed by the cashier and the employees delivering the deposit.
- g. The cashier's office will verify that the cash and equivalents agree to the deposit slip and system generated/logged total provided. The cashier's office will provide any documentation needed to the collection point.
- h. If collections were not properly remitted to the cashier's office by the end of business day, it must be stored in a lockable receptacle with limited access.
  - Deposits greater than \$1000 must be stored in a safe.
  - Deposits more than \$2,500 must be stored in a safe with an appropriate alarm system.
  - A log of individuals with access to the safe or vault must be maintained. The log should include the date the combination has been changed due to personnel changes.

## 8.0 Credit Card Payment

The cashier's manager has the authority to accept or reject requests for Campus Merchant Card Services from departments. The cashier's manager must approve all physical locations, websites, 3rd party processors or any channel accepting credit card payments. Credit card payments shall only be made at approved locations. All Departments will adhere to the University's PCI Compliance Policy including completing an Application for Payment Card Account Acquisition.

### 8.1 In-person transactions including point of sale terminals and wireless devices

Cashiering sites that accept authorized credit card transaction should use only Point of Sale terminals or equipment supplied to the location by the campus' Merchant Card processor.

Credit card receipts that are provided to the customer will be properly masked, showing only the last four digits of the credit card number. Detail log reports that are printed by each terminal prior

to settlement will be brought to the Cashier's Office with the daily cashing report. The Cashier's Office will process all campus credit card refunds by the department submitting a refund request.

## **8.2 Payment by Telephone**

Telephone authorizations for payment shall be processed in a manner conforming to the National Automated Clearinghouse Association (NACHA) Operating Rules and compliant to relevant State and Federal rules and regulations.

Departments receiving credit card information over the phone must process the credit card transaction on their department terminal by the end of the business day then shred the credit card information. If the transaction cannot be immediately processed, it shall be temporally stored in a locked room or file cabinet with limited access.

## **8.3 Payment by Mail**

The Cashier's Manager will approve all mail-in credit card solicitation forms departments would like to utilize prior to usage. All forms will be mailed directly to the cashier's office for processing. If departments receive credit card information through the mail inadvertently, they must:

- 1). Physically transport the mail to the cashier's office by a secure means or
- 2) Process the credit card transaction on their department terminal by the end of the business day then shred the credit card information. If the transaction cannot be immediately processed, it shall be temporally stored in a locked room or file cabinet with limited access.

## **8.4 Payment Online**

All web transaction will be processed through the Universities' third party software, CASHNet. Departments must contact the cashier's manager to set-up a meeting to establish a Payment Card Industry (PCI) compliant interface and a CSU Third Party Provider. Departments are prohibited from obtaining merchant ID numbers directly from credit card companies.

## **8.5 Other important guidelines**

Credit card information shall never be e-mailed.

Payment will not be accepted through fax.

Payment card data may not be retained by any employee or department.

Departments are not permitted to transmit, process, or store credit card information on HSU computer systems. Documents with credit card information will never be left unattended on employee's desk or in plain view of others. Credit card information will temporarily be stored in a secure storage unit until it can be processed and shredded or transferred to the Cashier's Office.

## **9.0 Compliance Review**

The controller of finance or designee will review campus compliance with the cash collection procedures on an annual basis.

As part of the University PCI Compliance Policy, each campus department or organization processing credit cards must:

- participate in an annual risk/security self-assessment questionnaire
- certify that all employees participate in an annual on-line PCI training
- certify that all employees review the HSU Cash Handling Procedure

Failure to comply with the established procedures will result in the Cash Collection Point's loss of cashing privileges. If at any time staff is unable to maintain the required controls, he/she shall cease acceptance of cash and cash equivalents and contact Cashier's Manager for immediate assistance.

## Cash Handlers Certification of Annual Training

I \_\_\_\_\_ certify that I understand the Humboldt State University cash handling policy. I fully understand the requirements for cash handling and security of all university funds. I understand as an authorized employee of Humboldt State University I am required to follow the cash handling policies for accepting, depositing, recording and safekeeping of cash and cash equivalents.

I have reviewed these policies and procedure with my department supervisor and/or the Manager of Student Financial Services. I understand that I am required to be re-certified and trained every year.

I also understand that if I suspect potential fraudulent activity or if there is inappropriate activity surrounding the acceptance, storage or transportation of cash or cash equivalents on campus that I must notified the University Controller, the Manager of Student Financial Services or the HSU University Police.

\_\_\_\_\_  
Department

\_\_\_\_\_  
Employee ID

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date