Cash Handling Procedures

1.0 Objective:

The purpose of this document is to establish campus protocol and procedural guidelines for the handling of cash and cash equivalents, including appropriate segregation of duties, physical security, timely deposit, reconciliation, and management oversight, in accordance with the Integrated CSU Administrative Manual (ICSUAM) and all applicable ICSUAM cash-management policies identified in Section 2.0.

2.0 Policy Statement:

The Chief Financial Officer (CFO) has designated the Director of One-Stop Financial Services ("Delegate") to institute controls and procedures that ensure the physical security of cash and cash equivalents, maximize the use of funds, accurately record receipts, ensure the reliability of financial data, and authorize employees to handle cash and cash equivalents, consistent with the following ICSUAM policies:

3102.06 3102.08 3102.09	Accounting for Banking Activity
6200.00	Campus Administration of Systemwide Cash Management Policy
6201.00	Sensitive Positions and Cash Handling
6202.00	Segregation of Cash Handling Duties
6320.00	Petty Cash Funds and Change Funds
6330.00	Security of Cash and Cash Equivalents
6340.00	Debit and Credit Card Payments

This procedure shall be reviewed no less than annually, and upon any revision to the ICSUAM policies listed above, to confirm continued alignment. Reviews and their outcomes shall be documented in the Revision History (Section 9.0) *(ICSUAM 6200.0).*

3.0 Organizations Affected:

1. One-Stop Financial Services (Main Cashier), located in the Student Services Building (SSB), Room 2380, where all university funds are received and deposited to the campus bank of record.
2. Approved satellite cashiering locations authorized to accept cash and cash equivalents for a designated activity.
3. All departments authorized to accept cash and cash equivalents, including departments conducting remote or special-event collections under Section 6.14.

4.0 Definitions:

- **Cash:** Currency and coin, the most liquid of assets, which must be immediately protected against loss.
- **Cash Equivalents:** Cashier's checks, certified checks, checks, money orders, and traveler's checks, as defined by ICSUAM 6330.00.
- **Cash Handling Unit:** One-Stop Financial Services (Main Cashier), a Satellite Cashier Location, or a Department Deposit unit, as defined in the prior procedure and retained without substantive change.
- **Excess Cash:** Currency and coin in surplus of the authorized cash limit amount in the cash register or lockable receptacle/vault/safe.
- **Cash Receipt:** A written acknowledgment for a sum of cash equivalent has been received; the paper that provides the audit trail (e.g., canceled check, electronic receipt, or pre-numbered cash receipt).
- **Sensitive Position:** A position designated by the CSU as requiring heightened scrutiny due to direct access to, or control over, cash, checks, other cash equivalents, credit cards, or credit card account information. *(ICSUAM 6201.00)*
- **PCI-DSS:** Payment Card Industry Data Security Standard, the mandatory security framework for any unit accepting card payments. *(ICSUAM 6340.00)*
- **Over/Short:** The variance between recorded collections and physically verified cash and cash equivalents for a given cashiering session.
- **Satellite/Department Cash Collection:** Any collection of cash, cash equivalents, or card payments occurring at a location other than a permanent cashiering station, including off-site events, mobile point-of-sale activity, and pop-up sales.
- **Compensating Control:** A CFO-approved alternative control implemented where standard segregation of duties cannot be achieved due to staffing limitations. *(ICSUAM 6202.00)*
- **Security Systems:** Control/prevent unauthorized access and physical protection for employees, cash, and cash equivalents (e.g., alarms, panic buttons, motion detectors, security cameras, and software).

5.0 Responsibilities:

A. Campus CFO / Delegate (Director of One-Stop Financial Services)

- Authorizes and approves official cashiering satellite locations and departments accepting cash, cash equivalents, and card payments. *(ICSUAM 6200.00)*
- Approves all physical, online, and third-party processor channels accepting card payments. *(ICSUAM 6340.00)*
- Ensures an annual documented compliance review of this procedure is completed, with risk results reported to the CFO. *(ICSUAM 6200.00)*
- Approves compensating controls where full segregation of duties is not achievable. *(ICSUAM 6202.00)*
- Designates the campus key contact for coordination with the Chancellor's Office Treasury Department. *(ICSUAM 6200.00)*

B. One-Stop Financial Services

- Confirms appropriate approvals exist before a satellite cashiering station or department cash-collection activity is established.
- Maintains a current listing of all departments, satellite locations, and individuals authorized to perform cash handling duties in Transact.
- Confirms cashiers, including student assistants, hold Sensitive Positions and have completed required background checks prior to assuming cash handling duties. *(ICSUAM 6201.00)*
- Confirms cashiers are trained in cash handling, deposit preparation, and Transact prior to independent duty. *(ICSUAM 6330.00)*
- Confirms segregation-of-duties requirements, or approved compensating controls, are in place at every cashiering location. *(ICSUAM 6202.00)*
- Prepares and files IRS/FinCEN Form 8300 for reportable cash transactions (Section 6.12).

C. Satellite/Department Supervisors

- Are responsible for the training, performance, and daily supervision of cashiers under their direction.
- Submit Transact Operator Activation/Deactivation Request Forms timely upon staff onboarding, transfer, or separation.
- Verify daily collections, approve voided transactions, and prepare or review deposits.
- Ensure at least two authorized individuals are assigned to key cash handling duties at each location.
- Complete the Personnel Separation/Access Deactivation checklist (Section 6.16) for any departing or transferring cash handler.

D. Cash Handlers (Cashiers)

- Issue a receipt for every transaction and safeguard assigned cash drawers, keys, and login credentials.
- Immediately report suspected counterfeit currency, card-terminal tampering, or irregularities to their supervisor.
- Complete required cash handling and Transact training, and sensitive-position background screening, before independently handling cash.

E. University Controller's Office / Treasury

- Notifies Chancellor's Office Treasury of wire/ACH activity meeting the $5,000,000 threshold by 9:00 a.m. PST on the settlement date. *(ICSUAM 6200.00)*
- Performs unannounced audits of petty cash and change funds on the risk-based schedule in Section 6.13.

F. Internal Audit and Systemwide Risk Management

- Receive mandatory notification of any suspected cash handling fraud, theft, or material irregularity (Section 6.17), independent of law-enforcement notification for counterfeit currency.

6.0 <u>Procedures:</u>

6.1 Treasury Notification for Wire/ACH Activity

The University Controller's Office notifies Treasury of monies sent electronically via wire and/or ACH from any CSU commercial bank account whenever an individual transaction or the daily aggregate equals or exceeds $5,000,000, by 9:00 a.m. PST on the settlement date. Estimated amounts must be followed with actual amounts by the next business day. Campuses remain responsible for prompt, accurate notification even where a third-party vendor performs the underlying collection or disbursement. *(ICSUAM 6200.00)*

6.2 Segregation of Cash Handling Duties

- The Delegate maintains a current listing of all satellite cashiering locations, departments, and authorized employees.
- Storage and inventory of blank receipt stock is handled by a person independent of cashiering duties. *(ICSUAM 6202.00)*
- The individual collecting cash, issuing receipts, and preparing a deposit is independent of the individual performing the monthly general ledger review, maintaining accounts receivable records, or following up on collections. *(ICSUAM 6202.00)*
- Deposit counts are verified by a second person independent of the collection function. *(ICSUAM 6202.00)*
- Returned checks, card chargebacks, and ACH returns are processed by staff other than cashiering personnel. *(ICSUAM 6202.00)*
- The individual approving write-offs is independent of the individual maintaining the returned-item inventory. *(ICSUAM 6202.00)*
- The individual authorizing refunds does not receive or handle cash or cash equivalents.
- Accounts receivable records are secured from unauthorized alteration, with an audit trail of all changes maintained. *(ICSUAM 6202.00)*
- **Compensating controls:** Where a unit cannot meet the above requirements due to staffing constraints, the supervisor shall submit a written request for CFO-approved compensating controls, which shall be documented and reassessed annually. *(ICSUAM 6202.00)*

6.3 Sensitive Positions and Background Checks

- All employees with direct access to or control over cash, checks, cash equivalents, credit cards, or card account information — including temporary, casual, and student employees — hold a Sensitive Position and are subject to a background check (including fingerprint clearance) administered consistent with the Fair Credit Reporting Act (FCRA), Investigative Consumer Reporting Agencies Act (ICRAA), Consumer Credit Reporting Agencies Act (CCRAA), Information Practices Act (IPA), and the Labor Code. *(ICSUAM 6201.00)*
- Background checks are administered by the department dean, financial manager, or Human Resources, other than for One-Stop Financial Services staff, whose checks are coordinated centrally.
- **Limited exception:** Temporary cash-handling roles with incidental exposure (e.g., parking attendants, event ticket sellers) may be exempted from background-check requirements where impractical, provided mitigating supervisory review controls — such as direct supervision, mandatory dual coverage, or end-of-shift reconciliation by a second employee — are documented and in place. *(ICSUAM 6201.00)*

6.4 Cashiering (Main and Satellite)

- All cash registers and point-of-sale equipment produce a receipt controlled by an automatically generated, consecutive number; duplicate receipts are permitted only when clearly marked "duplicate" or "copy" and contain all elements of the original. *(ICSUAM 6330.00)*
- A receipt is provided to the customer for every transaction.
- Cashiers use a counterfeit currency detector to verify bills of $20 or greater; suspected counterfeit currency is retained and campus police are notified immediately. *(ICSUAM 6330.00)*
- Each cashier is assigned a unique user ID, login, password, and cash fund not shared with any other individual, and is provided a secure drawer, insert, or receptacle accessible only to that cashier. *(ICSUAM 6202.00)*
- Before leaving the register or work area, the cashier locks the cash drawer or safe and retains the key or credential.
- Voids and reversals are supported by all related documentation, approved in writing or electronically by the supervisor at the time of occurrence, and submitted with the Cashier Daily Collection Reconciliation Form.
- Cash accumulated in a register drawer in excess of $5,000 (Main Cashier) or $1,000 (Satellite) is transferred to a designated safe or vault; amounts under $1,000 at satellite locations are maintained in a lockable receptacle. *(ICSUAM 6330.00)*
- All cash registers and point-of-sale equipment produce a Cashier Check-Out receipt and Operator Payment Report, reviewed, verified, and signed by the supervisor or designee.
- At close of business, all cash and cash equivalents are secured in accordance with Section 6.9 (Physical Protection). *(ICSUAM 6330.00)*

6.5 Over/Short Procedures

- Cash differences (overages and shortages) are documented for each cashier on a Cash Over/Short Audit Record, signed by the cashier and supervisor, and recorded in Transact before the cashier's batch is closed. *(ICSUAM 6330.00)*
- **Investigation threshold:** Any single shortage or overage exceeding $25, or a pattern of repeated variances by the same cashier within a rolling 90-day period, triggers a documented supervisory investigation.
- Escalation follows a progressive path: documented coaching, retraining, and, where warranted, referral to Human Resources and/or Internal Audit.
- Supervisors review over/short trends across their cashiering unit no less than quarterly.

6.6 Endorsement of Cash Equivalents

- All cash equivalents are restrictively endorsed upon receipt, and no later than the close of the business day in which they are received, using a campus-approved endorsement stamp issued by One-Stop Financial Services. *(ICSUAM 6330.00)*

6.7 Requirements of Cash Equivalents Received

- All cash equivalents must be made payable to California State University, Los Angeles, Cal State LA, or CSULA variation. *(ICSUAM 6330.00)*
- Checks must be dated no earlier than 180 days prior to the date of acceptance (unless a shorter time period is clearly marked on the face of the instrument) and no later than the date of acceptance; post-dated checks are not accepted.
- Amounts must be legible and consistent in both numeric and written form, bear a proper signature, and identify a payee.

- Two-party checks, foreign-bank checks, and instruments marked "Payable/Paid in Full" are not accepted and will be safeguarded and returned to the presenter within 30 days of receipt.
- The Campus Identification Number (CIN) is recorded on cash equivalents submitted for student payments.
- Cash equivalents received in person are reviewed for required elements at the time of receipt and returned to the maker for correction if deficient.

6.8 Payments Received by Mail

- Mailed cash equivalents are reviewed for required elements, verified, processed, and endorsed by close of business on the day of receipt, and secured in a locking drawer or safe pending deposit.
- Check that cannot be applied after reasonable research, or that are not payable to an acceptable payee, are returned to the account holder within 30 days of receipt. *(ICSUAM 6330.00)*
- Unidentified checks are deposited immediately and recorded as uncleared pending reasonable efforts to identify the proper account or returned to the payee. *(ICSUAM 6330.00)*

6.9 Reconciliation and Department Deposits

- Cashier collections are verified and authorized by a department supervisor, manager, or dean, and independently verified by One-Stop Financial Services.
- Deposits are reviewed and reconciled to the general ledger by an individual who is not part of the deposit process and has no access to cash, providing independent verification of amounts deposited. *(ICSUAM 6202.00)*
- The person collecting payments, issuing receipts, and preparing a departmental deposit is not the person performing the monthly general ledger review, maintaining accounts receivable records, or following up on collections. *(ICSUAM 6202.00)*
- Department deposits are delivered to the One-Stop Financial Services (Main Cashier) within five (5) business days of receipt, or immediately whenever on-hand cash exceeds $1,000. *(ICSUAM 6330.00)*
- Deposits include a Department Deposit Transmittal Form, currency, endorsed cash equivalents, and the credit card settlement summary, as applicable.

6.10 Deposit Timing and Bank Deposits

- Satellite cashiering locations submit deposits to One-Stop Financial Services by 9:00 a.m. daily; departments without a safe or comparable storage submit deposits by 2:30 p.m. for same-day processing. *(ICSUAM 6330.00)*
- The Main Cashier deposits cash with the bank in a timely manner based on campus activity; cash equivalents are deposited electronically whenever possible, and otherwise deposited in a timely manner. *(ICSUAM 6330.00)*

6.11 Transporting Deposits

- Deposits are transported in a locked deposit bag provided by One-Stop Financial Services.
- Transport is performed jointly by at least two employees to protect financial assets and personnel. *(ICSUAM 6330.00)*
- Cash deposits exceeding $1,000 require a campus police escort during transport to the Main Cashier. *(ICSUAM 6330.00)*

6.12 Cash Transactions Exceeding $10,000

- Cumulative cash received from a single individual exceeding $10,000 within any 365-day period is reported to the IRS. *(ICSUAM 6330.00)*
- One-Stop Financial Services completes and files IRS/FinCEN Form 8300 electronically within 15 days of the date the threshold is exceeded, consistent with mandatory e-filing requirements for Form 8300*.*

6.13 Physical Protection of Cash and Cash Equivalents

Storage requirements are tiered by dollar exposure as follows *(ICSUAM 6330.00)*:

- Up to $1,000 — lockable receptacle (also applies to all debit/credit card-related information).
- $1,001 – $2,500 — safe.
- $2,501 – $25,000 — steel-door safe (door ≥ 1 inch, wall ≥ ½ inch).
- $25,001 – $250,000 — class TL-15 composite safe or better.
- Over $250,000 — class TL-30 steel safe or better.

- A manual robbery alarm or comparable measure is installed where more than $2,500 in cash/cash equivalents is regularly on hand during business hours.
- An automated after-hours security system is required where more than $25,000 is stored overnight.
- Safes are bolted to the floor or wall in coordination with Risk Management and Facilities Services; combinations are limited to as few personnel as operationally necessary and are changed whenever an employee with knowledge of the combination separates or no longer requires access.

6.14 Remote and Event Cash Collections

- **Advance approval:** Any off-site, mobile, or special-event cash collection activity requires advance written approval from the Delegate, identifying the event, expected cash volume, custodian(s), and collection equipment.
- **Cash caps:** A maximum on-hand cash limit is established for each event; collections exceeding the limit are transferred to a secure lockbox or removed from the site by two authorized staff.
- **Equipment:** Only campus-issued mobile point-of-sale devices or petty-cash-style lockable cash boxes are used; personal devices or containers are not permitted.
- **Dual custody:** Cash collected off-site is counted and reconciled by two staff members at the close of the event before transport.
- **Deposit timing:** Event proceeds are transported and deposited with the Main Cashier no later than the next business day following the event, consistent with the physical-security thresholds in Section 6.13.

6.15 Management Review and Monitoring

- The Delegate ensures an annual documented review of compliance with this procedure is performed, with results and identified risks reported to the CFO. *(ICSUAM 6200.00)*
- Supervisors review Transact collection and over/short reports for their unit no less than monthly, with findings documented.

6.16 Personnel Separation and Access Deactivation

Upon separation or transfer of any cash handler, the supervisor completes a consolidated checklist coordinated with One-Stop Financial Services and Human Resources, covering:

- Deactivation of Transact operator access (Transact Operator Deactivation Request Form).
- Return of keys, badges, and any assigned cash drawer or receptacle.
- Change of any safe or vault combination known to the departing employee. *(ICSUAM 6320.00)*
- Closeout of the employee's Sensitive Position designation in the campus roster.

6.17 Fraud, Theft, and Loss Reporting

- Suspected counterfeit currency is retained and reported immediately to campus police.
- Any other suspected fraud, theft, or material cash-handling irregularity is reported immediately to the supervisor and Internal Audit, independent of, and in addition to, any law-enforcement notification.

6.18 Documentation Retention

- Bank reconciliation records are retained per the university fiscal records retention policy. *(3102.06/.08/.09)*
- Deposit transmittal forms, Cashier Daily Collection Reconciliation Forms, void/over-short documentation, and Transact operator activation/deactivation forms are retained consistent with the CSU/campus records retention schedule.

6.19 Change Funds

- A change fund has a single custodian, who is responsible for its security and who may not independently transfer custody to another individual.
- Change funds are not commingled with other funds.
- The custodian completes documented training before assuming custody of the fund. *(ICSUAM 6320.00)*
- When no longer needed, change funds are deposited with One-Stop Financial Services, and the custodian notifies the University Controller's Office.
- Unannounced audits are performed by the University Controller's Office on the following minimum schedule *(ICSUAM 6320.00)*: $200 or less — annually; $200.01–$500 — quarterly; over $500 — monthly.

6.20 Petty Cash Funds

- Petty cash funds are established only upon written request and authorization by the CFO or Delegate, and are used strictly for the purpose authorized. *(ICSUAM 6320.00)*
- A petty cash fund has a single custodian, who is responsible for the amount advanced and may not independently transfer custody to another individual.
- The custodian completes documented training for the role before assuming custody of the fund *(ICSUAM 6320.00)*
- Replenishment requires submission of a disbursement voucher to Accounts Payable, which verifies original transaction receipts before reimbursing the fund. *(ICSUAM 6320.00)*
- Petty cash funds are not commingled with other funds.
- Unannounced audits are performed by the University Controller's Office on the same minimum schedule as change funds. *(ICSUAM 6320.00)*

- When no longer needed, petty cash funds are deposited with One-Stop Financial Services, and the custodian notifies the University Controller's Office.

6.21 Debit and Credit Card Payments

- Satellite locations accepting card payments use only POS terminals or equipment supplied by the campus merchant card processor, placed in a secure area. *(ICSUAM 6340.00)*
- Terminals are configured to prevent retention of the full magnetic stripe, card validation code, PIN, or PIN block after authorization; any retained account number, cardholder name, service code, or expiration date is encrypted per PCI-DSS. *(ICSUAM 6340.00)*
- Supervisors and cashiers are trained to recognize and report suspicious behavior, tampering, or device substitution, and periodically inspect card devices for tampering.
- The CFO or designee approves all physical locations, websites, and third-party processors or channels accepting card payments; card payments are accepted only through approved channels using an approved CSU merchant processor. *(ICSUAM 6340.00)*

6.22 Manual and Telephone Card Transactions

Manual requests to process a customer's credit or debit card contain the following elements *(ICSUAM 6340.00)*:

- Properly signed/executed cardholder authorization, unless processed by telephone consistent with NACHA guidance on TEL transactions.
- Card account number and expiration date.
- The cardholder's correct billing address.

6.23 PCI-DSS Compliance Validation

- The Campus PCI Compliance Committee is responsible for coordinating and overseeing the completion of the annual Payment Card Industry (PCI) Self-Assessment Questionnaire (SAQ) for each campus merchant ID and tracking the timely remediation of any identified compliance gaps or deficiencies.

7.0 Approved Forms Referenced:

- Transact Operator Activation Request Form / Transact Operator Deactivation Request Form
- Cashier Daily Collection Reconciliation Form (Balance Sheet)
- Department Deposit Transmittal Form
- Cash Over/Short Audit Record
- Personnel Separation/Access Deactivation Checklist (new — Section 6.16)
- Compensating Controls Request Form (new — Section 6.2)

8.0 References:

- ICSUAM 3102.06, 3102.08, 3102.09 – Accounting for Banking Activity (effective 6/2/2025)
- ICSUAM 6200.00 – Campus Administration of Systemwide Cash Management Policy (effective 9/29/2025)
- ICSUAM 6201.00 – Sensitive Positions and Cash Handling (effective 5/21/2026)
- ICSUAM 6202.00 – Segregation of Cash Handling Duties (effective 3/10/2026)
- ICSUAM 6320.00 – Petty Cash Funds and Change Funds (effective 5/21/2026)

- ICSUAM 6330.00 – Security of Cash and Cash Equivalents (effective 3/10/2026)
- ICSUAM 6340.00 – Debit and Credit Card Payments (effective 5/21/2026)
- Cal State LA Change Fund Procedure; Cal State LA Petty Cash Procedure (effective 7/11/2022)
- VP & CFO of Administration and Finance Memorandum, "Cash Handling and Timely Deposit Procedures" (effective 5/21/2026)

9.0 **Revision History:**

Date	Description	Approved By
8/8/2017	Original implementation.	Executive Director of Financial Services
4/21/2025	Prior update (Ronnie Wills).	Ronnie Wills, Executive Director of Financial Services
7/23/2026	Compliance review and updated per current ICSUAM 6200/6201/6202/6320/6330/6340 and Accounting for Banking Activity.	Joan Lopez, Director of One-Stop Financial Services