

Cash Handling Policy and Procedures

The Bursar's Office establishes the SJSU policy and procedures that all SJSU campus departments, units, and auxiliaries that use the TRANSACT payment platform or accept, deposit, record, safe keep, and reconcile all cash and cash equivalents must follow in accordance with university and ICSUAM policies [6200.00](#), [6202.00](#), [6330.00](#), and [6320.00](#).

Each department or unit designates a department administrator. The department administrator will be responsible for administering and adhering to these procedures. As the primary authority in cash handling, the department administrator ensures that department deposits, transactions, and refunds are correctly prepared and inputted into the TRANSACT Payment Platform as instructed.

Department Administrator Duties and Responsibilities

Administrators record their department transactions/deposits in TRANSACT, and the cashiering team at the Bursar's Office will release the departmental deposits when the funds are verified. The administrator is responsible for making deposits as instructed so cash and checks will be credited to the appropriate account

Department administrators may assign department colleagues to assist in these duties and responsibilities. To assign a new TRANSACT user, email the completed and signed TRANSACT User form to cashierbanking@sjsu.edu. The cashiering team provides in-depth training and documentation. Contact us for a training session. Conversely, use the same form to remove TRANSACT user access when an employee leaves employment or changes departments. Include the required University Personnel clearance form. For student workers, inform cashierbanking@sjsu.edu as soon as possible.

The department administrator fulfills and manages TRANSACT processing requirements. In TRANSACT, they input the department's daily or incoming transactions with all relevant data, including chart fields. Therefore, the Bursar's Office will no longer accept information submitted via email. Processing requirements include cash and check processing, wire transfer, ACH, and credit card.

The department administrator is responsible for processing the department's refunds and responding to customer inquiries.

The administrator runs reports and fulfills reconciliation requirements. The task may include running daily, weekly, or monthly reports for their respective department via TRANSACT and CFS Data Warehouse.

The department administrators must attend monthly bank reconciliation meetings with the accounting and Bursar's offices to discuss any outstanding items on the

bank reconciliation. In addition, administrators are encouraged to raise attention to any processing issues that can be improved or retooled during the session.

Cash Handling Policy

The overall cash policy of the university is to institute controls and procedures to:

- Ensure the physical security of cash is stored on campus premises until it is taken to the bank by armored car service. Do not take university monies off campus.
- Accurately record the receipt of cash to ensure the reliability of financial data. Any department receiving cash or equivalent is considered a "cash handling unit."

Definition of Cash

The term cash refers to U.S. currency: coin, paper currency, checks (i.e., includes personal, business, traveler's checks, cashiers, bank drafts and certified checks, money orders, university, and government checks). Checks from U.S. banks and written in U.S. dollar values are acceptable forms of payment to the university, as are credit cards (Visa, MasterCard, Discover/Novus, and American Express).

When an employee receives cash, the transaction is recorded in TRANSACT or on a Bursar's Office issued pre-numbered cash receipt form (paper receipt). The payer receives a copy of the receipt. Retain copies of the Bursar's Office-issued pre-numbered cash receipts in numerical sequence, including voided forms.

Employees handling cash receipts must balance cash collected using the TRANSACT cashiering system total or the prepared manual cash receipt. Reconcile and recount if there is a difference between the sum of the actual receipts and the sum of the register or manual receipts before submitting the deposit to the Bursar's Office.

When a department uses a cash register to record cash receipts, balance the cash register at the end of each employee's shift. Two employees may not work out of the same drawer. Employees handling cash receipts should not perform any accounts receivable functions. Include copies of the manual receipt to deposits when submitting to the Bursar's Office.

General Cash Receipts

Provide a written acknowledgment for each cash payment received. Acceptable cash receipts are cash register receipts (such as TRANSACT produces) or pre-numbered ones issued by the Bursar's Office:

- The amount of the payment

- Tender type
- Name of the person making the payment
- SJSU ID number, if applicable
- Purpose of payment
- Date of payment
- G.L. account, if applicable
- Initials of the employee receiving funds

For audit purposes, maintain and sequentially organize the Bursar's Office-issued pre-numbered receipts. Attach yellow receipt copies to the Department Deposit Cover Page, including voided receipts. Voided receipts must have all copies (white and yellow) stapled together.

Checks

The university accepts the following types of checks as payment for the sale of goods and services provided: personal checks, company checks, cashier's checks, certified checks, money orders, traveler's checks, university checks, government checks, bank drafts (drawn by a U.S. Bank)

All checks must be:

- Payable to San José State University or SJSU
- Contain current date – not post-dated or stale-dated (i.e., over six months old or a shorter period)
- Properly signed and endorsed by the presenter
- In agreement as to the numeric and written amounts
- Legible and written in black or blue ink

When the proper account(s) to which a check should be credited cannot be readily determined, the Bursar's office will deposit the funds into a holding account until the department can identify the recipient.

Endorse all checks accepted by the university as soon as possible but no later than the close of business on the date of receipt. The endorsement should indicate "For Deposit Only." Additionally, add San José State University in the endorsement. For example, place the following endorsement on the back of each check:

Pay to the order of
 WELLS FARGO BANK, N.A.
 For Deposit Only
 CSU San José State University
 49#####

Departments may obtain restrictive endorsement stamps from the Bursar's Office. Unsigned checks may be accepted and deposited with the regular bank deposit providing the following statement is stamped on the face of the check:

SIGNATURE LACKING
GUARANTEED BY
SAN JOSÉ STATE UNIVERSITY

Importance of Internal Controls

Because cash is negotiable and easily transported, proper internal controls must be in place to protect this asset. Therefore, implement the following internal controls over cash receipts/handling throughout the university: Limit access to cash. Keep funds secure at all times. While in possession, university departments, administrative offices, and affiliated organizations must keep funds in safes, locked boxes, or locked drawers; place them under lock and key when not in use.

Cash receipts/handling operations are subject to daily supervisory review.

Count and handle large sums of cash away from the general public.

Thoroughly and accurately record all cash receipts in the university's financial system. To ensure this, include a Department Deposit Cover Page (either a printout from TRANSACT or manually prepared) with deposits for all cash receipts indicating the account(s) to which the funds are to be credited. (See the How to Prepare and Make a Deposit section.)

Separation of Cash Handling Duties

It is the policy of the CSU to establish and maintain adequate separation of duties in cash handling so that no individual has exclusive control over a given process. The internal controls effectively ensure secure cash handling is the separation of responsibilities. Assign different people to receive cash, prepare the transmittal, and reconcile the ledger accounts to attain this goal. This system allows them to counterbalance each other, catch mistakes and prevent the misappropriation of funds. Please see ICSUAM policy number 6202.00 for more detail on the Segregation of Cash Handling Duties.

Security – Safeguarding of Assets

The level of security necessary at each satellite operation depends on the level of risk at that location. For example, the level of risk is generally higher at the main cash collection site of the university (the Bursar's Office) than in an individual department that occasionally receives cash. Therefore, Campus Risk Management personnel will review the physical setup of all cashiering satellite operations to ensure the safety of

funds and personnel. According to the campus fiscal records retention policy, such reviews must be in writing and retained. The evaluation of the level of risk at each location is based on the following factors:

- Amount of money involved
- Geographic location
- Hours of operation
- Past loss experience
- Number of employees

Cash Handling Procedures and Required Tasks

Prepare and Make a Deposit

Deposits from on-campus locations need to include the following:

- Printout of TRANSACT (formerly CashNet) Departmental Deposit Statement or the [Department Deposit Cover Page](#).
- Sort currency by denomination.
- Organize endorsed checks and adding machine tape in the same sequence as the checks.
- Add Bursar's Office-issued pre-numbered receipts (if applicable). Four departments in the university are issued pre-numbered receipts.

Departments **with** access to the TRANSACT cashiering system must enter their deposit information into TRANSACT. Then, print and complete the deposit form, include it with the deposit, and drop it off at the night depository box outside the Student Services Center.

Departments **without** access to TRANSACT prepare their deposits using the [Department Deposit Cover Page](#) and deliver the deposit with the signed cover page in person at the Bursar's Office. Create an appointment using the QLess system before visiting. (Leave the cash receipt number blank; the Bursar's Office will complete this section.)

Do not send cash collected on campus via campus mail or US Postal Service.

- All cash receipts must be deposited intact. This means no checks or disbursements may be cashed, including reimbursement of petty cash expenditures from receipts.
- If applicable, include the Bursar's Office pre-numbered receipt forms in the deposit for cash received.

- Drop off all deposits at the night depository box (outside the Student Services Center). A cashier will verify it and expect a receipt via email.
- If the cashier determines an overage and shortage, the full deposit will be returned to the person making the deposit, and it will need to be corrected in the department before resubmitting to the Bursar's Office.

Departments using alternative payment processing software (e.g., Next Steps, Parkmobile, and Starrez)

Received payments from the non-TRANSACT payment processing software are required to be recorded in the SJSU general ledger.

Departments using independent payment processing software (not TRANSACT) or modules or banks at a different financial institution (for example, TPO, Athletics, Research Foundation, and auxiliaries) are required to create a Department Deposit in TRANSACT if they cannot interface with SJSU general ledger directly.

Funds (cash/checks/wires/ACH/credit card, etc.) are recorded onto the SJSU general ledger, tied with the bank deposit credits, and reported to the accounting department. Additionally, **departments are required to have a representative attend the monthly meeting** with accounting for reconciliation purposes.

Using the Depository Box

Drop off all deposits at the Bursar's Office secure 24-hour depository box outside the Student Services Center. Include a TRANSACT printout **or** a completed [Department Deposit Cover Page](#).

The Bursar's Office will verify the deposits, post the payments, and generate a receipt each morning. The Bursar's Office will mail a duplicate receipt to the originating department.

Placement and Control of Safe Combinations

All departments are required to follow these guidelines for storing funds to deter burglary. In addition, SJSU will securely anchor a safe to the building, where practical, to a building's foundation.

Safe Requirements:

- Up to \$1,000 in a lockable receptacle
- From \$1,001 to \$2,500 in a safe
- From \$2,501 to \$25,000 in a steel-door safe, with a door thickness of not less than one inch and wall thickness of not less than ½ inch
- From \$25,001 to \$250,000 in a class TL-15 composite safe or better
- Over \$250,000 in a class TL-30 steel or better safe

Follow these procedures to maximize security over cash:

- Provide safe combinations to the minimal number of employees and only those whose responsibilities require access to cash.
- For departments with a safe that requires both a combination and key to access, no single employee (including the department admin) should have access to **both** a key and the safe combination.
- Memorize combinations and do not write them down.
- Open safes when no other person can observe and determine the combination.
- Establish and maintain a record of all persons with knowledge of the combination, including when the combination is changed and the reason for the change.
- Change the combination when any employee knows the combo no longer requires the combination or leaves the employ of the cash handling unit.

Deposit and Transportation of Funds

- Deposit collections from satellite cashiering locations and departments to the night depository box (outside the Student Services Center) at least weekly or whenever collections exceed \$500.
- Departments with cash and check pickup locations must collect, process, bag, and prepare deposit slips for their collected funds.

Manage Departmental Petty Cash

Small amounts of cash are kept in a secure location in your department's campus office if requested. Funds will be documented and retained by the Bursar's office. The department administrator or an employee assigned by the administrator will be the custodian of the petty cash fund. To replenish the petty cash fund, provide appropriate documentation to the Bursar's Office where transactions and receipts are verified.

When not in use, petty cash funds will be placed in a safe and locked receptacle in a secure area that is accessed only by authorized personnel

Counting Money and Making Change

Observe the following standard practices when counting money and making a change:

- Count and verify all money received within view of the cashier and the customer before confirming the amount by utilizing a currency counter or placed in the cash drawer.
- When making change, place currency and the change within view of both the cashier and the customer until the transaction is complete.
- Count out all transaction changes in front of the customer.
- If interrupted during counting or making change, restart the process



Acknowledgment of Terms

I have read these procedures, and my signature acknowledges my understanding and compliance with the policy provided in this cash handling document. Therefore, I accept the responsibility of fulfilling the requirements detailed in this document. I also acknowledge that the policy is subject to change.

Name of Custodian of university monies:

Official Title:

Manager/Supervisor Name and Email:

Department:

Phone:

Signature:

For questions or concerns, contact the Bursar's Office at:

Phone: 408-924-1601

Fax: 408-924-1654

Email:cashierbanking@sjsu.edu

<https://sjsu.edu/bursar>