Purpose

UC Business & Finance Bulletin (BFB) BUS-49 establishes the minimum requirements related to the handling and processing of cash and cash equivalents to ensure that these assets are protected, accurately processed and properly reported. The UCSF campus is responsible for adhering to these minimum requirements and establishing local implementation procedures.

Definitions

Cash

Money in the physical form of currency and coin.

Cash Equivalents

Cash equivalents include money orders, traveler?s checks, cashier?s checks and certified checks, credit and debit card recordings, banknotes, gift cards, prepaid vouchers, or any other element that can be converted to or used as cash.

Automated Clearing House Payments (ACH)

ACH transactions are electronic payment instructions either to debit or credit a deposit account at a participating Receiving Depository Financial Institution (?RDFI?).

Wire Transfers

Non-recourse, electronic fund transfers that move value from one bank account to another bank account through bookkeeping entries typically processed over the Federal Reserve Bank electronic network.

Cash Handler

Any employee engaged in the handling of cash and cash equivalents, regardless of frequency, including those opening mail in which checks may be enclosed.

Cash Handling Station
An area within a department in which cash and cash equivalents are handled and/or from which deposits originate.

Dual Custody

A task performed or an asset held in the control of two people.

Campus Cash Coordinator

Campus Cash Coordinator, as referred to in this document, is located in the Cash and Controls Unit within the Controller's Office.

Credit Card Payment Compliance Coordinator

Credit Card Payment Compliance Coordinator, as referred to in this document, is located in the Cash and Controls Unit within the Controller's Office.

Policy

A. All staff involved with cash handling are required to adhere to the following implementation provisions of BUS-49 specific to UCSF.

1. A new cash handling station must be established for any department that receives currency of $500 or more per day or currency and checks totaling more than $2,500 per day. (BUS-49 references to a Central Cashiers Department are not applicable to UCSF.)
2. Transactions consisting of currency in excess of $5,000 must be processed in dual custody.
3. All cash handling stations are subject to periodic site surveys in order to evaluate the adequacy and effectiveness of their physical security.
4. Based on results of the site surveys, the Campus Cash Coordinator may specify the upgrading of components of Cash Handling Sites including, but not limited to, anchored safes, bullet-proof glass, alarms and/or emergency communication equipment such as two-way radios or cellular phones.
5. Department staff with responsibility for cash handling operations shall ensure that all required safety provisions are implemented for their respective Cash Handling Stations.
6. Each department involved with cash handling operations must provide a secure cash receptacle to which only the cashier has access.
7. Cashiers must lock all cash and cash equivalents in a drawer or secure receptacle whenever leaving the immediate cash handling location.

B. All employees whose duties include the handling of cash must be subjected to a background check for criminal convictions in accordance with BUS-49. Proof of completion of the background check must be maintained on file in the appropriate HR Service Center. Bondability must be maintained while the employee is in a cash handling area. Should an employee later be convicted of a crime, the conviction must be reported to Risk Management Services and the UCSF Police Department to determine whether bondability of the employee can be maintained. If bondability cannot be maintained, the employee must be transferred to a non-cash handling position.

C. Individual accountability must be maintained and documented for all cash handling procedures. UCSF requires mandatory training for all Cash Handlers at least annually.
D. Receiving cash and cash equivalents

1. For Non-Private Gifts and Non-Sponsored Projects:
   a. An endorsement stamp must be ordered through the Campus Cash Coordinator and be provided to each cash handler.
   b. Checks received via US mail should be opened in double custody. Immediately upon receipt checks shall be endorsed with a 'UC Regents' stamp, photocopied, the photocopy date stamped and maintained in a secure department file.

2. For Private Gift Receipts intended for UCSF Foundation and/or UC Regents:
   a. Immediately upon receipt, gift checks shall be photocopied, and the copy shall be date stamped and filed. Departments should not endorse gift checks as they are sent directly to a bank lockbox automatically endorsed.
   b. Gifts intended for UCSF Foundation and/or UC Regents are processed by the Foundation's Gift Administration Office. Departments should forward checks, accompanied by the signed Gift Transmittal Form and all back up material (notes, letters from donor, envelopes, etc.), on the same day they are received, via US mail to the UCSF Foundation lockbox.
   c. Departments receiving currency designated as a gift should call the Gift Administration Office within one working day for further instruction.

3. For Sponsored Projects:
   a. Departments should not endorse sponsored project checks as they are sent directly to a bank lockbox automatically endorsed.
   b. Departments should forward checks, accompanied by all back up material (notes, letters, envelopes, etc.), on the same day they are received, via US mail to the UCSF Contracts & Grants Accounting lockbox.

E. Depositing and recording cash and cash equivalents

Departments are required to deposit when the total of cash and/or cash equivalents on hand equals $500 or more or once a week; whichever occurs first. Deposits must be made on the day received for all individual checks of $100,000 or more or accumulated receipts totaling $500,000 or more.

All deposits shall be accompanied by a UC Bank Deposit slip.

Deposits may be made in one of the drop safes located at various sites or in person at a branch of the bank. For locations and instructions regarding drop safes, contact the Campus Cash Coordinator.

1. Recording Cash Receipts by Departments: General ledger journals are to be prepared for bank deposits in the appropriate period. Approval of the journal should be by someone other than the depositor.
2. Control of Returned Checks: Returned deposited checks are received from the bank at the Controller's Office. They are charged back to the ledger account that was originally credited and the original check is returned to the related department for collection.
3. Checks Drawn on Foreign Banks: Foreign checks may require special handling. The Campus Cash Coordinator should be contacted for assistance in determining the correct procedure to be followed.
4. A night depository that meets security standards shall be provided should cash deposits be necessary after business hours. For information, contact the Campus Cash Coordinator.
5. Alternative Procedures: The Campus Cash Coordinator has authority to approve the use of alternative procedures for the collection and depositing of cash by departments. However, the alternatives should be in basic compliance with the aforementioned guidelines.
6. Cashing of personal checks is not allowed.

F. Physical Security:
1. Transfers of excess cash from cash registers during business hours must be documented.
2. The ring-up amounts for cash handler’s window transactions must be visible to the customer as well as to the cashier.
3. Deposits shall be adequately safeguarded while in transit. When necessary, armored car service or police protection shall be used.
4. Safes that require a combination and a key to gain access must have two different custodians. At least two employees shall be assigned the combination and two different employees shall be assigned the key. An extra key shall be sealed in an envelope, recorded, and maintained in the same manner as the combination, as described in BUS-49 IX.8. The combination for the safe must be changed at least annually or whenever an employee with knowledge of the combination leaves the department.
5. At the end of each business day, cash registers shall not be left with the total amount of receipts visible in the cash register window (i.e., the register shall read zeros or the machine shall be covered).
6. Security cameras shall be installed for all depositories that accept deposits from multiple departments. Depositories include drop safes and ATMs.
7. Alarm systems are required when:
   a. More than $2,500 currency is stored; an alarm system must be installed to alert the campus Police Department if the storage area is entered after business hours;
   b. More than $25,000 currency/cash equivalents are stored; an alarm system must be installed on all safes and vaults; and
   c. More than $5,000 currency is on hand during business hours; a manual duress alarm system must be installed to alert the UCSF Police Department in the event of an emergency.
8. Reporting of Losses: Known or suspected misappropriations or mysterious disappearances of cash totaling $100 or more must be reported promptly to Audit & Advisory Services, the UCSF Police Department, and the Campus Cash Coordinator.
9. Any deviation from the related provisions of BUS-49 and UCSF Policy 350-12 or this Policy must be approved in advance by the Campus Cash Coordinator and shall be documented. Departments, in consultation with the Campus Cash Coordinator, may adopt more stringent safety measures as appropriate for their respective areas.

Responsibilities

All departments, units or other entities engaged in any form of cash handling activity are expected to comply with the provisions of BUS-49 and UCSF Policy 300-14 to the greatest extent practicable.

Related Policies

- 300-44 - Petty Cash and Change Funds [3]

References

- UC Business and Finance Bulletin, Policy for Cash and Cash Equivalents Received (BUS-49) [4]
- UC Accounting Manual, Office of the President [5]
- UCSF Campus Code of Conduct [6]
- UCSF Controller’s Office Website [7]

© 2021 The Regents of the University of California

Source URL: https://policies.ucsf.edu/policy/300-14

Links