

## Cash Handling, Security and Management

### 704.1 PURPOSE AND SCOPE

This policy provides guidelines to ensure department members handle cash appropriately in the performance of their duties.

This policy does not address cash-handling issues specific to the Property and Evidence and Informants policies.

### 704.2 POLICY

It is the policy of the Colorado State University Police Department to properly handle and document cash transactions and to maintain accurate records of cash transactions in order to protect the integrity of department operations and ensure the public trust.

All receipts intended for the University must be properly accounted for, carefully safeguarded, and promptly delivered to the University Cashier's Office. The Banking Services unit of Business and Financial Services (BFS) is responsible for depositing University money into approved University bank account. The CSU Police Department has the following option for processing deposits:

The deposit(s) may be dropped off at the Cashier's Office and a Cashier will process the deposit as time permits. The department will know their deposit has been processed because the Kuali Financial System (KFS) Cash Receipt (CR) document will be approved by a Cashier.

### 704.3 CHANGE FUND

The Chief of Police shall designate a person as the fund manager responsible for maintaining and managing the change fund. A Colorado State University approved fund, held by a department which is used for making change for sales to customers.

### 704.4 CHANGE FUND PROCEDURES FOR PROCESSING TRANSACTIONS

The fund manager shall document all transactions on the ledger and other appropriate forms. Each person participating in the transaction shall sign or otherwise validate the ledger, attesting to the accuracy of the entry. Transactions should include the filing of an appropriate receipt, invoice or cash transfer form. Transactions that are not documented by a receipt, invoice or cash transfer require an expense report. Ensure checks are properly completed and immediately endorsed as follows:

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- (a) The department is responsible for safeguarding their cash and checks until they are deposited at the Cashier's Office. Place all cash and checks in a locked box and further locked in a secure desk, file cabinet, or safe.
- (b) Record the reason for any adjustment or void on the departmental copy of the receipt document generated by the original transaction.
- (c) Report any suspected theft or counterfeit bills

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- (d) The Cashier's Office is available to provide change to departments transacting with cash tender.

### **704.5 CHANGE FUND PROCEDURES FOR DEPOSIT OF SALES**

Once a department has received receipts totaling \$500, a deposit must be made to the Cashier's Office by the next business day. Deposit receipts totaling less than \$500 needs to be made at least once a month. Submit the CR document close to the same timing that the money will be delivered to the Cashier's Office. Banking Services recommends scheduling a one-time armored carrier pickup for cash deposits of \$5,000 or greater.

Safeguarding customer banking information is crucial, therefore no full image of checks, whether scanned, copied, or photographed should be stored

### **704.6 CHANGE FUND AUDITS**

The Change fund should be counted at least once a month and the results recorded and retained for audit. Any overages or shortages should be recorded in the month incurred as outline above.

The Banking Services department, CSU Cashiers, the Internal Auditor or the State Auditor will periodically (announced or unannounced) make an audit of the petty cash or change fund in the presence of the fund custodian.

### **704.7 ROUTINE CASH HANDLING**

Those who handle cash as part of their property or Investigations Unit supervisor duties shall discharge those duties in accordance with the Property and Evidence and Informants polices.

Members who routinely accept payment for department services shall discourage those duties in accordance with the procedures established for those tasks.

- (a) Segregation of duties: Two different employees handling money does not necessarily create a segregation of duties. The segregation occurs when one person handles the money and a second person records the transaction. In smaller offices when one employee is responsible for numerous tasks, duties are often combined. The person receiving the cash or check may also be the person recording the transaction in KFS, as well as reconciling the monthly receipts to KFS. When one individual is responsible for the entire cash receipt process, verification and review by a supervisor, manager, separate accounting person, or department head reduces the risk of theft or misappropriation. Ensure that the individual doing the reconciliation verifies that all the pre-numbered receipts are accounted for.
- (b) At the beginning of a daily shift, a cashier checks out a controlled (\$170) amount of cash or retrieves his/her own previously assigned locked change bag or drawer containing the controlled cash amount that is stored in the safe during nonbusiness hours.
- (c) The cashier begins the shift by verifying the control cash amount, placing the cash in an empty cash register drawer, and recording the beginning cash amount in the cash register. This control amount will be the reconciled cash at the end of the shift.

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- (d) When a cashier completes a daily shift, all cash, checks and debit/credit card receipts shall be removed from the drawer, along with approved and documented voided and return receipts, and placed in a locked change bag or drawer. The cashier shall take the bag or drawer, along with a cash register printout of transaction and tender type totals to a secure area for reconciling. Per register printout, total checks need to equal checks tendered, credit cards receipts need to equal credit card payments tendered, and cash needs to equal cash tendered plus beginning cash.
- (e) After balancing to the shift's receipts, the reconciliation sheet, with approved and documented void and return receipts and register totals attached, shall be turned over to the cashier supervisor or shift leader/manager along with control cash for verification. If a cashier has difficulty balancing, the cashier supervisor or shift leader/manager will print the audit tape and assist the cashier with the reconciliation.
- (f) Once reconciled, register totals along with cash, checks, and debit/credit card receipts equaling total net sales for the shift shall be given to and logged in by the accounting area for recount, safekeeping and deposit preparation.
- (g) The accounting area creates a deposit in KFS. The department is responsible for safeguarding the funds until they are delivered to the Cashier's Office or the bank. The staff in the Cashier's Office validate the deposit when received or when notification it is received from the bank.

### **704.8 OTHER CASH HANDLING**

Members of the Department who, within the course of their duties, are in possession of cash that is not their property or is outside their defined cash-handling responsibilities shall, as soon as practicable, verify the amount, summon another member to verify their accounting, and process the cash for safekeeping or as evidence or found property, in accordance with the Property and Evidence and Informants polices.

Cash in excess of \$1,000.00 requires immediate notification of a supervisor, special handling, verification and accounting by the supervisor. Each member involved in the process shall complete an appropriate report or record entry.