

COLORADO STATE UNIVERSITY
Financial Procedure Instructions
FPI 6-1

1. **Procedure Title:** Receipt and Deposit of Cash and Checks
2. **Procedure Purpose and Effect:** To outline procedures for proper safeguarding and depositing of cash and checks received by University departments for the sales of goods and/or services.
3. **Application of Procedure:** University employees involved in any step of the process to receive, record, safeguard, or deposit incoming cash or checks intended for the University must follow these procedures.
4. **Exemptions:** There are two situations that would exempt a department from following certain steps included in the below procedures: 1) The department has been approved to make bank deposits directly through armored carrier services; or 2) University receipts are accepted by a remote location and deposits are made at a local bank approved by the Board of Governors of the Colorado State University System.
5. **Definitions:**
 - A. **Aries:** The University's Accounts Receivable sub-ledger system, also known as Banner.
 - B. **Cash Sales:** Sales of goods or services provided by the University and paid for by the customer at the time of sale. Cash sales include cash, checks, debit cards, and credit cards.
 - C. **Credit Sales:** Sales of goods or services provided by the University that are not paid for by the customer at the time of sale. Please refer to FPI 2-17: Accounts Receivable for more information about credit sales.
 - D. **Directs:** Deposits that are made directly to the University's bank without the funds routing through the Cashier's Office.
 - E. **Loomis:** The CSU contracted armored carrier service provider. Loomis provides the armored transport between established CSU departments and the bank or other specified locations.
 - F. **Receipts:** Cash, checks, debit card, or credit card transactions received in payment for sales.
6. **Procedure Statement:**
 - A. **GENERAL**
 1. 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 accounts. A State employee can be accused of embezzlement of public property if he or she retains money intended for the University or deposits University

money in a bank account that is not approved by the Board of Governors of the Colorado State University System.

a) For specific information on deposits for contract and grant revenues for SPONRP and ARRA activity, please refer to FPI 2-8: Contract and Grant Revenues.

2. Departments have the following options for having their deposits processed:

- 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.
- Deposit(s) can be brought into the Cashier's Office and a Cashier will process the payment and produce a receipt from the cashiering system for the staff member to take with them. The Cashier can also date stamp the KFS cover sheet.
- The department can work through the CSU Banking Service Manager to have deposits directly deposited to First National Bank.
 - There are two options for making a direct bank deposit. Loomis courier service can be established. Please contact the CSU Banking Services Manager to find out about Loomis rates and scheduling. The Lory Student Center (LSC) has a First National Bank branch that can accept CSU deposits. This is a smaller branch, so please contact the CSU Banking Services Manager to confirm if there is capacity to process your deposits.
 - For Loomis deposits, the bank will notify the Cashier's Office of all the deposits that were directly received at the bank and a Cashier will approve the CR document.
 - For deposits hand delivered to the LSC First National Bank the department is responsible to send an email to the Cashiers and Banking Services with CR details.
 - Departments using direct bank deposits are responsible for the completion of the bank deposit ticket as well as the CR document. The deposit ticket and the CR document must total to the same amount.
 - Specify cash amounts separate from check amounts on the CR document, and make sure the total matches the total deposit amount.
 - Please write clearly and firmly when completing the deposit ticket.
 - The deposit ticket must accompany the deposit to the bank to receive proper credit and it must include the KFS document number.
 - Any discrepancies between the deposit ticket and the funds verified by the bank require an additional CR or negative Advance Deposit (AD) document to be submitted. Please contact the Cashier's Office with the additional CR/AD document number for timely approval of the documents.
 - See attachment #3 for a sample of a bank deposit ticket. Extra bank deposit tickets are available for pickup from the Cashier's Office.
- There are two Cashier's Office payment drop boxes where departmental deposits can be submitted. One is on the main level of the Lory Student Center in the hallway south of the RamCard/First National Bank suite and the other is in the Howes Street Business Center on the main level in the southwest corner of the lobby. Envelopes

are provided. Please be sure to include the corresponding KFS document number so the deposit can be identified and processed. The drop boxes are checked once every business day and deposits will be processed by the end of the next business day. The approved CR document in KFS is confirmation that the deposit has been processed.

3. Faculty and staff members are not authorized to collect payments from students in connection with their enrollment in classes. Customers making payments on student or commercial accounts need to be directed to the Cashier's Office. If a department inadvertently receives a payment for a student or commercial account, promptly deliver the payment to the Cashier's Office, separate from any departmental deposit.
4. Cash receipts are not to be used to cash personal checks, to cover shortages, as petty cash/change funds, or to purchase materials and services.
5. Departments wanting to accept credit card payments at point-of-sale, by phone, or by e-commerce and/or wanting to accept PayPal payments by e-commerce must first contact Banking Services. Please refer to FPI 6-3: Credit Card Merchant Accounts, for more information on becoming a merchant and/or the [Merchant Services website](#).
6. The University also accepts payment in the form of wire, ACH, and electronic funds transfer. If your department is expecting an incoming payment in any of these forms, please refer to FPI 6-4: Incoming Electronic Payments Including ACH Enrollment, for information on how to ensure these deposits are properly identified and accounted for.
7. If currency or checks are found on campus they are to be brought to the Cashier's Office for research and safeguarding until the owner can be located.

B. PROCEDURES FOR ACCEPTING PAYMENT FOR CASH SALES

1. Record cash sales with a cash register or alternative procedure approved by the CSU Banking Services Manager.
2. The following steps minimize the risk of a check being returned by the bank:
 - a) Ensure checks are properly completed. Review checks for the following: payee is Colorado State University or CSU, date is current (not in the future or more than six months in the past), numeric amount and the written amount are the same (if different, words prevail over numbers), amount of check does not exceed the amount of the payment (no cash-back transactions), check is drawn on a U.S. financial institution, and the check is signed.
 - b) Request identification of the person signing the check. Ask individuals presenting personal checks in payment of merchandise or services to provide proof of identification. A student I.D. card together with a driver's license or other identification with a picture is generally acceptable.
 - c) Endorse all checks immediately as follows:

For Deposit Only at
FIRST NATIONAL BANK OF OMAHA
To the Credit of

COLORADO STATE UNIVERSITY
(Department Name)

- d) A check intended for the University should not be made payable to an employee. However, if it occurs, the employee may endorse the check to the University. Then, place the endorsement shown above directly beneath the employee's endorsement.

Pay to the Order of
COLORADO STATE UNIVERSITY
(Signature of Payee on Check)
For Deposit Only at
FIRST NATIONAL BANK OF OMAHA
To the Credit of
COLORADO STATE UNIVERSITY

3. 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. For information on storage of credit card information, please refer to FPI 6-6: PCI Compliance Program and FPI 1-15 Record Retention.
4. Departments are responsible for ensuring proper segregation of duties for cash receipts. 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.
5. Record the reason for any adjustment or void on the departmental copy of the receipt document generated by the original transaction. Submit adjustments and voids to the departmental person who reconciles KFS. If the same person is doing the deposits and reconciling, obtain the approval of a supervisor for adjustments or voids. When a person has responsibility for depositing cash and for adjusting, voiding, or refunding a transaction, an added risk exists. Verification and review by a supervisor, manager, separate accounting person, or department head reduces the risk of theft or misappropriation.
6. Report any suspected theft or counterfeit bills to the CSU Police Department and to the CSU Banking Services Manager. The Kuali Shop Catalogs (Office Max) offer counterfeit detector pens for testing currency for the correct chemical makeup.
7. For cash payments in the amount of \$10,000 or more, IRS Form 8300 will need to be completed at the time the cash is given to the department. Parts I, II and III are to be completed by the customer/department. If there are any questions filling out the form please contact the Cashier's Office. The form is to be submitted to the Cashier's Office within 5 business days of receipt of cash. This form needs to also be used for any suspicious cash transaction, regardless of the amount of funds. <https://www.irs.gov/pub/irs-pdf/f8300.pdf>

8. The Cashier's Office is available to provide change to departments transacting with cash tender. Bring the larger bill(s) along with a breakdown of the requested denominations to the Cashier's Office. Advanced notice is always preferable and may be required if large amounts of bills are requested.

C. PROCEDURES FOR DEPOSIT OF CASH SALES

1. 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. The sooner checks are deposited; the better chance funds will be available in the customer's account for clearing the checks. Also, the quicker deposits are made, the less time the departments will have to safeguard these funds. Interest revenue is lost in delaying deposits.
2. KFS records all cash receipts and income of the University. In KFS, a CR document serves as a record of the money delivered to the Cashier's Office and provides the information necessary to record receipts in the University's accounting system. Please submit the CR document close to the same timing that the money will be delivered to the Cashier's Office. See attachment #1 for a sample of a CR document. Additional information and training on creating KFS documents may be acquired by contacting the Campus Services unit of BFS.
3. If the proper account is not immediately known, contact Banking Services for a temporary account number or use a departmental clearing account. Do not delay depositing receipts while researching account numbers.
4. Acceptance of the deposit occurs when the deposit and the CR cover sheet or CR document number are brought to the Cashier's Office. See attachment #2 for a sample of a CR cover sheet. If the deposit includes multiple checks, also prepare two adding machine tapes listing each check amount along with a total. One is calculated from the numeric amounts and the other from the written amounts. The cashiering staff will validate the deposit amount and approve the CR document. It is possible that one deposit will need to be split between the departmental deposit recorded on the CR document and a commercial account recorded in Aries. If this occurs, list the commercial account number and amount to be applied to Aries on a separate document and submit the CR together with the document. The Cashier will then be able to apply the accurate amount to the commercial account.
5. Safeguarding customer banking information is crucial, therefore no full image of checks, whether scanned, copied, or photographed should be stored. Images of checks that are emailed, attached to Kuali for support, or stored in a department computer or file cabinet must have the bank account number redacted, covered, or folded so the numbers are not viewable. See Attachment #4. Checks should never be photographed with personal equipment such as a smart phone.
6. Foreign checks are checks in a foreign currency or drawn on an international bank. If the check is in US Dollars but drawn on an international bank, prepare a separate CR document and note on the cover sheet that the check is foreign. If the check is in foreign funds, bring the check to the Cashier's Office prior to recording the deposit in KFS. The check will be sent to the bank to confirm the US Dollar conversion and the Cashier's Office will report the US

Dollar amount back to the department. At that time, the department will create the CR document to be approved by the Cashier's Office.

7. Be cognizant of the amount of cash transported to the Cashier's Office for the security of both University employees and deposits. Banking Services recommends scheduling a one-time armored carrier pickup for cash deposits of \$5,000 or greater.
8. You will be notified by Banking Services if a check included in your departmental deposit was returned due to insufficient funds or stale date reason codes. Generally, a check is considered stale-dated six months after the date on the front of the check. A service charge may be assessed for return of these checks.
9. The bank will inform Banking Services if a correction was made to a deposit. Banking Services will contact the initiator of the CR document to request the correction to the departmental account in KFS. Corrections are posted on CR or AD documents depending on the specific adjustment.

D. OPERATING A CASH REGISTER

1. At the beginning of a shift, a cashier checks out a controlled 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.
2. 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 on the shift's reconciliation sheet. This control amount will be the reconciled cash at the end of the shift.
3. Only one cashier at a time shall be assigned to and have access to a specific cash register. During a shift, one cashier is responsible for all transactions completed on the assigned register. These transactions are recorded electronically for an audit tape to be printed out at the end of the shift by the cashier's supervisor or shift leader/manager.
4. When a cashier completes a 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.
5. Below is a sample of a reconciliation sheet that would be filled out by a cashier:

Beginning Cash (control amount)		\$ 200
Total Sales	1,050	
Less voids	(25)	
Less cash returns	(25)	
Net total sales		1,000
Less total cash tendered		(400)
Less total checks tendered		(500)

Less credit cards tendered	(100)
Ending cash	\$ 200

6. 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.
7. 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.
8. 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 for departments who do direct deposits.
9. Deposit activity and balancing need to be reviewed on a regular basis by the department manager or department head to insure accuracy and compliance with University procedures.

7. Reference and Cross-References:

- Cashier's Office website: http://busfin.colostate.edu/Depts/Cash_Office.aspx
- United States Secret Service – Know your money website: https://uscurrency.gov/sites/default/files/download-materials/en/KnowYourMoney_062014.pdf
- FPI 2-8 Contract and Grant Revenues, FPI 2-17 Accounts Receivable, 6-3 Credit Card Merchant Accounts, 6-4 Incoming Electronic Payments Including ACH Enrollment, FPI 6-6 PCI Compliance Program, and FPI 1-15 Record Retention: http://busfin.colostate.edu/Resources/Fin_Rules_Procs.aspx
- IRS Form 8300: <https://www.irs.gov/pub/irs-pdf/f8300.pdf>

8. Forms and Tools: See attachments.

Attachment #1:

Cash Receipt **Doc Nbr:** 4473220 **Status:** INITIATED
Initiator: **Created:** 08:32 AM 12/16/201

[expand all](#) [collapse all](#)
 * required field

Document Overview ▼ hide

*** Description:** **Explanation:**
Organization Document Number:

Financial Document Detail **Total Amount:**

Cash Reconciliation ▼ hide

Cash Reconciliation
Total Check Amount: Individual Checks/Batches ▼
Total Currency Amount: 0.00
Total Coin Amount: 0.00
Cash Reconciliation Total: 0.00 [recalculate](#)

Currency and Coin Detail ▼ hide

Count		Amount		Count		Amount	
Hundred Dollar Count:	<input type="text" value="0"/>	\$0.00	Hundred Cent Count:	<input type="text" value="0"/>	\$0.00		
Fifty Dollar Count:	<input type="text" value="0"/>	\$0.00	Fifty Cent Count:	<input type="text" value="0"/>	\$0.00		
Twenty Dollar Count:	<input type="text" value="0"/>	\$0.00	Twenty Five Cent Count:	<input type="text" value="0"/>	\$0.00		
Ten Dollar Count:	<input type="text" value="0"/>	\$0.00	Ten Cent Count:	<input type="text" value="0"/>	\$0.00		
Five Dollar Count:	<input type="text" value="0"/>	\$0.00	Five Cent Count:	<input type="text" value="0"/>	\$0.00		
Two Dollar Count:	<input type="text" value="0"/>	\$0.00	One Cent Count:	<input type="text" value="0"/>	\$0.00		
One Dollar Count:	<input type="text" value="0"/>	\$0.00	Other Cent Amount:	<input type="text" value=""/>	\$	<input type="text" value=""/>	
Other Dollar Amount:	<input type="text" value=""/>	\$					

Check Detail ▼ hide

* Check/Batch #	* Date	Description	* Amt	Action
add: <input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	0.00	add
			Total: 0.00	

Change Request [▶ show](#)

Accounting Lines ▼ hide

Accounting Lines [hide detail](#) [import lines](#)

* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
CO Colorado State University	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	0.00	
add: Line Description <input type="text" value=""/>								add

- [Accounting Lines for Capitalization ▶ show](#)
- [Modify Capital Assets ▶ show](#)
- [General Ledger Pending Entries ▶ show](#)
- [Notes and Attachments \(0\) ▶ show](#)
- [Ad Hoc Recipients ▶ show](#)
- [Route Log ▶ show](#)

[submit](#) [save](#) [close](#) [cancel](#) [copy](#)

Attachment #2:

Cash Receipt

Cover Sheet

Document #		Org Doc #	
Initiator		Campus	
Created		Deposit date	
Amount		Explanation	
Description			

Reconciliation

Checks		Change Out	
Currency		Reviv. Fund Out	
Coin			
Crdt. Crd.			
Adv. Dep.			

Check Detail

Check Number	Date	Description	Amount
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Attachment #3:

SD 108
DEPOSIT TICKET 82-26-1070

BANKING SERVICES
CSU GENERAL RECEIPTS
6015 CAMPUS DELIVERY
FORT COLLINS, CO 80523



Notate the KFS CR document # before sending to the bank

DEPOSIT # _____
500410031 544

DATE _____

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS (ATTACHED LIST)		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
TOTAL FROM OTHER SIDE ON ATTACHED LIST		
PLEASE ENTER TOTAL HERE		

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.


Attachment #4:

Redacted -

5719

DATE _____

PAY TO THE ORDER OF: _____ \$ _____

_____ DOLLARS 


MEMO: _____

Covered -

5719

DATE _____

PAY TO THE ORDER OF: _____ \$ _____

_____ DOLLARS 

MEMO: _____


1: _____

Folded -

5719

DATE _____

PAY TO THE ORDER OF: _____ \$ _____

_____ DOLLARS 

MEMO: _____
