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 to the bank; at a bank branch, via mobile app, or through contracted courier 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 where payment is not received from the customer at the time of sale. Please refer to FPI 2-17: Accounts Receivable for more information about credit sales.

   D. **Department:** Any division of a larger organization, such as a unit, area of responsibility, or any individual component that makes up the larger university structure.

   E. **Direct Deposit:** Deposits made directly to the University's bank without the funds routing through the Cashier's Office.

   F. **Courier Service:** The CSU contracted courier service provider. The courier transports deposits between established CSU departments and the bank, or other specified locations.

   G. **Mobile Deposits:** Checks deposited directly to the bank by a mobile device application. Remote departments are eligible for mobile deposits. Department app users are granted access by Banking Services.

   H. **Receipts:** Cash, checks, debit card, or credit card transactions received in payment for sales.

   I. **Returns:** Checks or electronic payments that are returned to the University by the financial institutions for various reasons. Returned payments are considered receivables to collect on.

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 or directly deposited into a University bank account. The Banking Services unit of Business and Financial Services (BFS) is responsible for depositing University money into approved University bank accounts. Retaining money intended for the University or depositing University money in a bank account that is not approved by the Board of Governors of the Colorado State University system can be considered embezzlement of public property.

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.
b) Donations and gifts for deposit need to be payable to Colorado State University Foundation (CSUF) and sent directly to them as a separate entity.

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

a) 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.
b) Cash deposit(s) can be brought into the Cashier's Office and a Cashier will process the payment while the department staff waits. This option is recommended when student workers transport the deposit. The approved CR document in KFS is confirmation that the deposit has been processed.
c) The department can work through the CSU Banking Services Manager to have deposits directly deposited into the University's bank account.
    i) There are two options for making a direct bank deposit. Courier service can be established. Please contact the CSU Banking Services Manager to find out about rates and scheduling. First National Bank branches can accept CSU deposits. Smaller branches may need advanced notice, so please contact the CSU Banking Services Manager to confirm if there is capacity for them to process your deposits.
        (1) For couriered deposits, the bank will notify the Cashier's Office of all deposits directly received at the bank and a Cashier will approve the CR document.
        (2) For deposits hand delivered to First National Bank, the department is responsible to send an email to the Cashiers BFS_Cashier@mail.colostate.edu with CR details.
        (3) Departments using direct bank deposits are responsible for the completion of the bank deposit slip as well as the CR document. The deposit slip and the CR document must total to the same amount.
        (4) Specify cash amounts separate from check amounts on the CR document, and make sure the total matches the total deposit amount.
        (5) Please write clearly and firmly when completing the deposit slip.
        (6) The deposit slip must accompany the deposit to the bank to receive proper credit, and it must include the KFS document number written on it.
        (7) Any discrepancies between the deposit slip 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.

(8) See attachment #3 for a sample of a bank deposit slip. Extra bank deposit slips are available for pickup from the Cashier's Office. Some deposit books have white and yellow copies; both can be used at the bank.

d) Remote locations can work through the CSU Banking Service Manager to receive access for mobile deposits.
   i) Departments using mobile deposits are responsible for the completion of the AD document.
   ii) The department is also responsible to send an email to Banking Services, BFS_Bursar@mail.colostate.edu with AD details.

e) 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 office 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 periodically, 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 payment for a student or commercial account, promptly deliver the payment to the Cashier's Office, separate from any department deposits.

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 must first contact the PCI IT Security Analyst. 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 a 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. Checks that are mailed to the Cashier's Office, or the main CSU Campus Delivery Code will be listed on this site: https://wsprod.colostate.edu/CWIS12/bfsapp/Cashier/CashierData.aspx. Employees with KFS access can access the site using the same login credentials. Please review it frequently for payments that are expected. All details from the check and remittance are provided. Scans of checks will not be emailed. After a period, any unclaimed payments will be returned to the sender. We encourage you to communicate with your suppliers to update the address in their systems to your location.

8. 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.

9. If a department accepts customer payments at an in-person customer service desk, they are required to also accept cash transactions. Per House Bill 21-1048, if credit cards and / or check payments are collected cash must also be accepted. Requiring exact change is permitted, but the cash must be accepted. An available payment kiosk that accepts cash is adequate if it can accommodate all customers without restrictions.

B. PROCEDURES FOR ACCEPTING PAYMENT FOR CASH SALES

1. Record cash sales with a cash register or alternative procedure.

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 sale (no cash-back transactions), check is drawn on a U.S. financial institution, and the check is signed.

b) Ask individuals who present personal checks to provide proof of identification. A CSU I.D. card, 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 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 offer counterfeit detector pens for testing currency for the correct chemical makeup.

7. For cash payments over $10,000, 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 or coins are requested.

9. If a department receives mutilated coin, this is a loss and should be recorded in KFS as such. The bank will not accept it. Mutilated bills will be accepted by the bank. Please contact the Cashier's Office with any questions.

C. PROCEDURES FOR DEPOSIT OF CASH SALES

1. Once a department has received receipts totaling $500, a deposit must be made by the next business day, at the Cashier's Office or the bank, and in KFS. Deposit receipts totaling less than $500 must 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. 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 KFS 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. The Cashier's Office does not require the cover sheet but does need the document number. If the deposit includes multiple checks, also prepare two listings of 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 note and submit the CR together with the note. 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 KFS for support, or stored in a department (electronically or physically) 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. Approved mobile deposit users may take photos directly into the banking application.

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 or to the bank for the security of both University employees and deposits. Banking Services recommends scheduling a one-time courier pickup for cash deposits of $5,000 or greater. It is legal to mail cash, but USPS does not recommend it due to the high risk of theft. If you must mail cash, USPS recommends using registered mail for amounts over $500, and advises hiding the cash within other items, to conceal it from view. As a safer alternative, USPS recommends converting cash to money orders.

8. If a department check is returned by the bank, Banking Services will post an entry in KFS to the account used in the original CR deposit, along with a receivable object code – typically 1404. The preparer of the original CR document for the retuned item will be Ad Hoc routed for FYI. This FYI will be notification to the department that they are to contact their client for collection. Campus Services will monitor and send monthly notices until the receivable is either collected or transferred to Accounts Receivable Operations for further collection efforts.

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 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 obtains a controlled amount of cash or retrieves their 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 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 is received from the bank for direct deposits.

9. Deposit activity and balancing need to be reviewed on a regular basis by the department manager or department head to ensure accuracy and compliance with University procedures.

7. **Reference and Cross-References**:

   A. Cashier's Office website: http://busfin.colostate.edu/Depts/Cash_Office.aspx

   B. Outstanding payment list: https://wsprod.colostate.edu/CWIS12/bfsapp/Cashier/CashierData.aspx

   C. Campus Services website: http://busfin.colostate.edu/Depts/Campus_Svcs.aspx

   D. United States Secret Service – Know your money website: https://uscurrency.gov/sites/default/files/download-materials/en/KnowYourMoney_062014.pdf

   E. 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

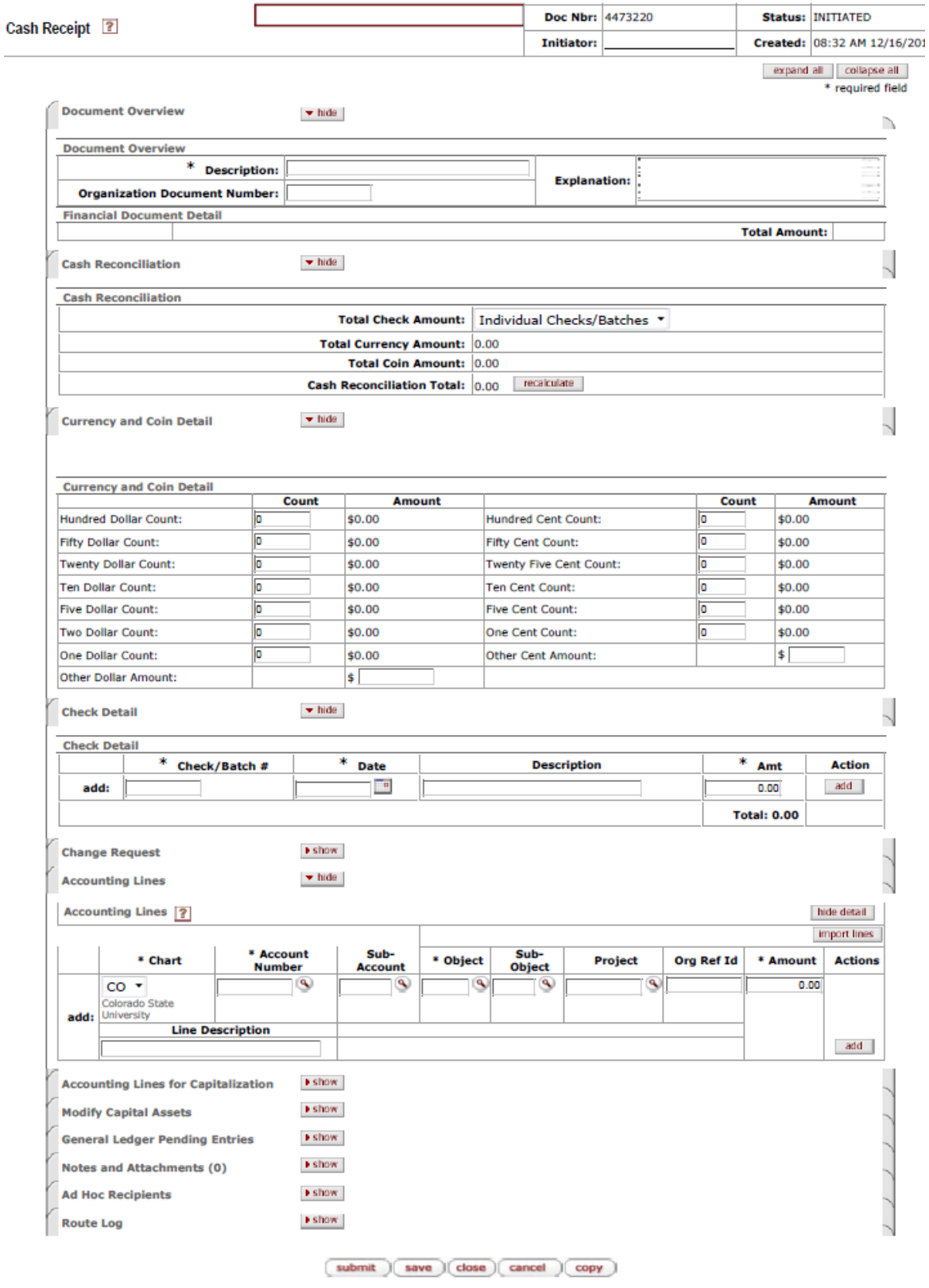
   F. IRS Form 8300: https://www.irs.gov/pub/irs-pdf/f8300.pdf

   G. House Bill 21-1048: https://leg.colorado.gov/sites/default/files/2021a_1048_signed.pdf

   H. Merchant Services website: https://busfin.colostate.edu/Depts/Treasury.aspx

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

Document Overview

* 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

Currency and Coin Detail

	Count	Amount		Count	Amount
Hundred Dollar Count:	0	$0.00	Hundred Cent Count:	0	$0.00
Fifty Dollar Count:	0	$0.00	Fifty Cent Count:	0	$0.00
Twenty Dollar Count:	0	$0.00	Twenty Five Cent Count:	0	$0.00
Ten Dollar Count:	0	$0.00	Ten Cent Count:	0	$0.00
Five Dollar Count:	0	$0.00	Five Cent Count:	0	$0.00
Two Dollar Count:	0	$0.00	One Cent Count:	0	$0.00
One Dollar Count:	0	$0.00	Other Cent Amount:		$
Other Dollar Amount:		$			

Check Detail hide

Check Detail

	* Check/Batch #	* Date	Description	* Amt	Action
add:				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
add:	CO Colorado State University							0.00	
	Line Description								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

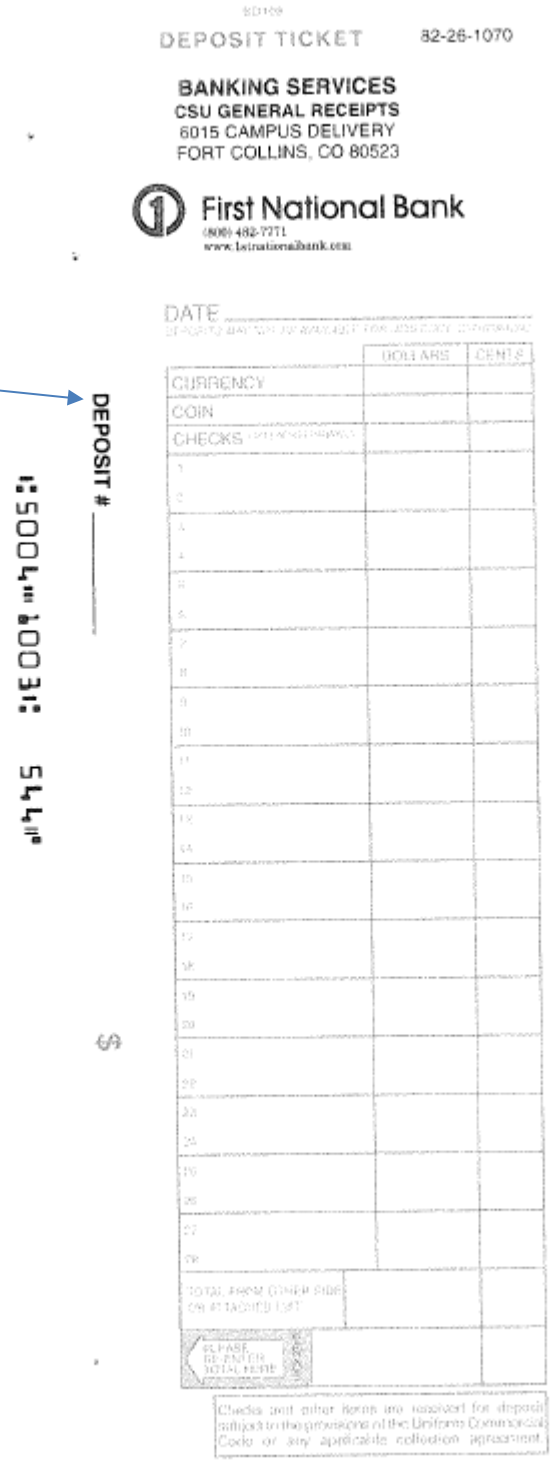
Checks		Change Out	
Currency		Reviv. Fund Out	
Coin			
Crdt. Crd.			
Adv. Dep.			

Check Detail

Check Number	Date	Description	Amount

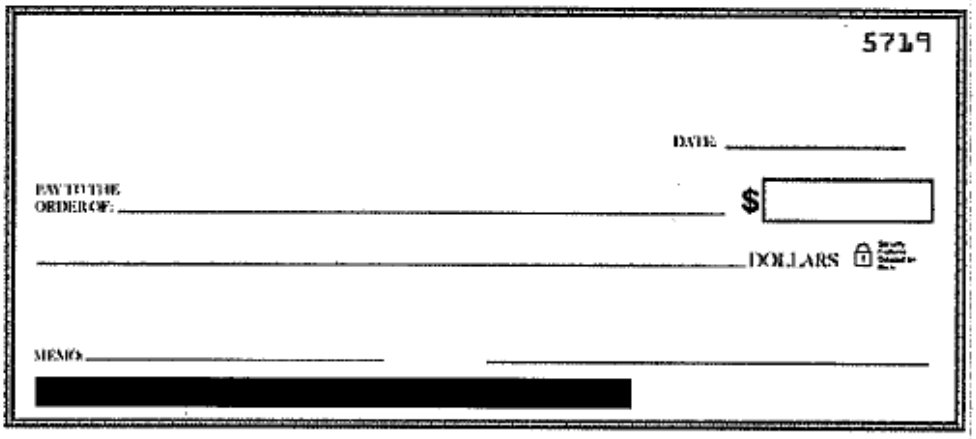
Attachment #3:

Notate the KFS CR document # before sending to the bank



Attachment #4:

Redacted -



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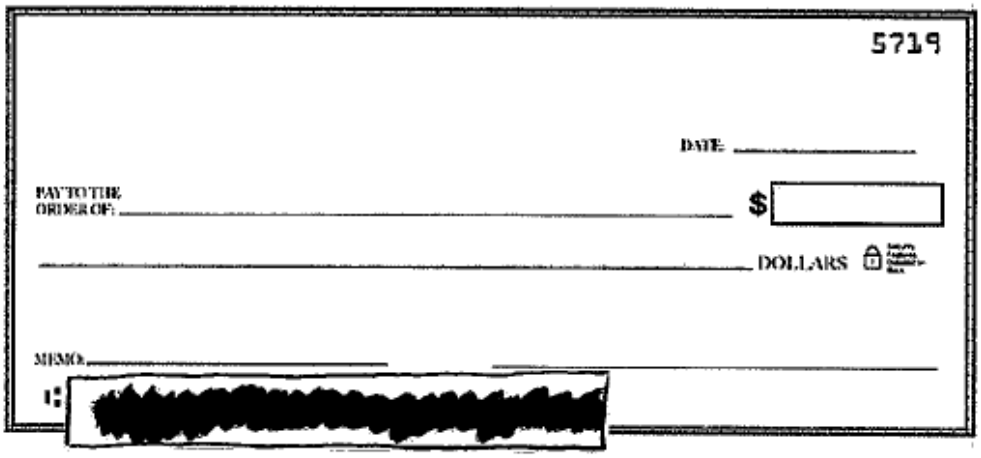
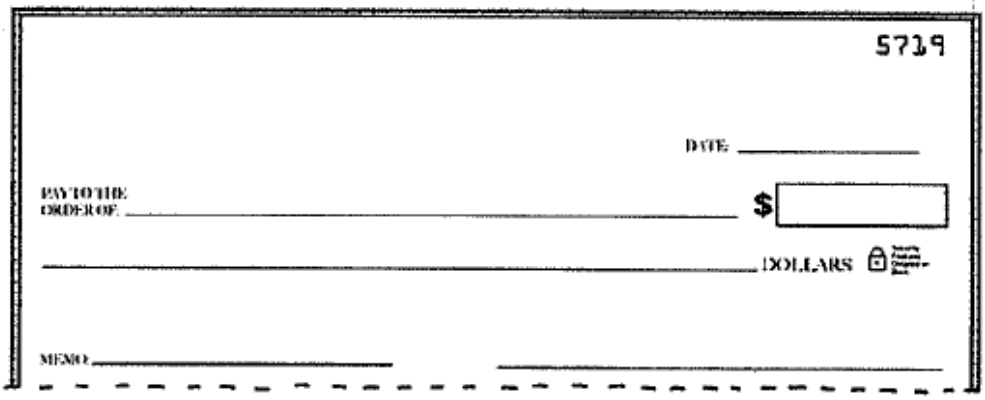
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