



POLICY STATEMENT

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SUBJECT: CASH-HANDLING POLICY

I. POLICY

Purpose

This section defines and outlines University policy with respect to the handling, receiving, transporting, and depositing of cash. The term "cash" includes currency, coin, checks, money orders, charge card transactions, and electronic funds transfers.

University funds are monies received from tuition, fees, contracts, grants, revenues from University services, state and federal appropriations, gifts, deposits, and all other sources of revenue or expense reimbursements. All checks made payable to LSU Shreveport or any subdivisions of the University are considered University funds.

Introduction

The establishment of strong internal controls for cash collections is necessary to prevent the mishandling of funds and to safeguard against loss. The Office of Accounting Services is the University's primary cash-handling agent. Ideally, from a control perspective, the collection and controlling of cash should be centralized in one location; however, it is not always possible or practical. As a result, under certain situations the collection of money is, in part, decentralized. Those situations and the procedures to be followed are explained in this policy.

Historical practices shall not constitute justification for deviation from the following guidelines. The material contained in this policy supersedes any previous policies and procedures followed within the University and/or within

departments regarding the handling of cash. The Vice Chancellor of Business Affairs reserves the right to make interpretations and exceptions to the policies contained in this policy.

Changes in University cash-handling policies and procedures may be made from time to time, and will be communicated via broadcast email. Amendments will be available electronically through the LSUS website and will be effective on issuance.

Required Authorization to Collect Money

Before undertaking any new cash-handling operation or activity, approval for the activity must be received from the Office of Accounting Services. Once accounts are established, the department should contact the Office of Accounting Services to demonstrate how this new operation or activity will be accounted for and how deposits will be made.

Segregation of Duties in Campus Departments

When at all possible, there must be a separation of duties between the person receiving/procession/depositing cash and the person responsible for maintaining the accounting records in which the cash will be deposited.

Cash receipt activity should be reconciled to the Workday income accounts on a monthly basis. The reconciliation should be reviewed by someone independent of the cash-handling or account ledger maintenance.

II. RESPONSIBILITIES OF INDIVIDUAL DEPARTMENTS

Compliance with University Policy and Procedures

Departments are responsible for complying with the policies and procedures outlined in this policy and for developing detailed written departmental operating procedures. The Office of Accounting Services is available for consultation and review of departmental procedures. Departments are responsible for training designated employees in fund-handling policies and procedures.

Counterfeit Currency

All authorized cash-handling personnel are responsible for exercising reasonable care in screening cash transactions for counterfeit currency. If a questionable bill is received, the department should retain possession of the bill and contact University Police immediately. Do not return the bill to the payer.

Safekeeping of Funds

All forms of cash (currency, checks, money orders, negotiable instruments, and charge card transactions) should be physically protected through the use of vaults, locked cash drawers, cash registers, locked metal boxes, etc.

It is the responsibility of each department to make whatever provisions are necessary to properly safeguard cash in their area. Generally, any amount of cash on hand that exceeds \$250.00 must be maintained in a vault or safe. Amounts under \$250.00 should be maintained in a file safe or reinforced lockable file cabinet. Cash should not be retained in desk drawers or standard file cabinets since they are easily accessible and provide no security or safeguarding of funds.

Delivery of Funds to the Office of Accounting Services

Transportation of cash deposits to the Office of Accounting Services by LSUS employees should not conform to any regular time or day of the week schedule. Such transfers should be irregular, subject to change without notice, with times known only to a select few. Consult University Police regarding arrangements for transfers of large cash amounts that occur on a regular basis.

III. REQUIREMENTS FOR DEPOSITS

Frequency of Deposits

Deposits are to be made on a daily basis to facilitate proper posting of accounts and to ensure the security of University funds.

All deposits are to be made to the cashier in the Office of Accounting Services, located on the first floor of the Administration Building, room 127. Deposits may be made between 8:00am and 4:30pm, Monday through Friday.

Deposits must be routed directly from the department to Accounting Services. University funds for deposit must never be taken off-campus.

Deposit Forms and Supporting Paper Trail

Deposits should be made on a LSUS Departmental Deposit Form, which is available on the G:drive and on the Accounting Services website under "Forms". This form is used to record, communicate, and document deposits made by departments to General Ledger accounts.

All deposits that involve cash and/or multiple checks (three or more) should be counted twice prior to being delivered to the Office of Accounting Services.

Money Deposited Intact

Money should be deposited promptly and intact to the Office of Accounting Services. Cashing checks from University deposits, borrowing cash for personal use, lapping receipts to cover shortages in cash receipts, withholding checks for deposit in order to float checks, commingling of personal and University funds, and modification of cash records are all serious offenses and will result in an immediate referral to University Police and the Office of Human Resources for proper disciplinary action and/or termination.

How to Transport Deposits

Care in transporting funds to the Office of Accounting Services must always be a high priority. Deposits should never be sent through campus mail. Deposits should be hand-carried by a department representative to the cashier in the Office of Accounting Services. In special circumstances, University Police may be contacted to help accompany large deposits.

Departments handling large deposits on a regular basis should contact University Police to schedule routine pickup and transportation of deposits to the cashier.

Processing of Departmental Deposits by the Office of Accounting Services

When a deposit is brought to the Office of Accounting Services, the cashier will count/validate the funds in the presence of the departmental representative. The cashier will immediately compare the validated total to the amount on the Departmental Deposit Form. Any discrepancies must be reconciled at once

before the deposit can be processed and applied to the departmental account. Any overages or shortages will result in a confirmation call to the originating department.

Upon reconciliation, the deposit will be processed and applied to the departmental account. The cashier will provide a transaction receipt to the departmental representative.

During the deposit process, the cashier will review the following:

CHECKS:

- They are restrictively endorsed (For Deposit Only, LSU Shreveport)
- Checks are not stale-dated or post-dated
- Checks should be made payable to:
 - "LSU Shreveport" for University deposits
 - "LSUS Foundation" for deposits into the Foundation account
 - "LSUS Alumni" for deposits into the Alumni account
- Written amount and numerical amount agree
- Payer's signature is not missing
- Checks are drawn on a US bank and in US funds

CASH:

- Make sure the count is accurate
- Look for counterfeit currency
- Look for altered currency
- All cash should be in US currency

DEPARTMENTAL DEPOSIT FORM

- Check for mathematical accuracy
- Verify check and cash totals are listed properly
- Verify account number field is filled in
- Verify that the funds received equal the deposit form

Transportation of Completed Deposits to the Bank

Completed deposits are transported by a representative from the Office of Accounting Services at least twice weekly to the University's designated bank. Cashier deposits are secured in a safe until transported to the bank under University Police escort.

Guidelines in the Event of a Robbery

The following guidelines are provided to help ensure staff safety and minimize loss to the University. Unnecessary risks should never be taken.

- Cooperate with robber. Avoid any confrontation and facilitate a rapid departure.
- Stay as calm as possible. Take no risks. Try not to panic or show any signs of anger or confusion.
- Make a mental note of any descriptive features or distinguishing marks on the robber, such as his/her clothing, hair color, eye color, scars, tattoos, etc. Touch nothing in areas where robbers were and note specific objects touched by robbers.
- If it is safe to observe, the direction the robber took should be determined. If possible, observe color and make of vehicle leaving the scene.
- The University Police should be called as soon as it is safe.
- The robbery should not be discussed with anyone until the University Police arrives.

IV. RECEIPT AND COLLECTION OF CASH

Purpose

This section of the policy summarizes the proper procedures to collect currency, checks, and credit card charges.

Methods to Record Cash Receipts

Incoming checks and currency must be recorded on a log, worksheet, ledger, or on preprinted receipts for each transaction. The only exception to this would be in the case where pre-numbered tickets are sold.

Cash collected should be balanced on a daily basis to sales/income recorded (per the log or ticket copies). At day's end or as expeditiously as possible, the whole deposit is to be transported to the cashier in the Office of Accounting Services for validating and processing. It will then be deposited to the bank and posted to the General Ledger. The appropriate copies of the validated receipts are then returned to the originating department for its files.

Accountability over cash transactions within a department or at an event should be assigned to a specific individual or individuals. Sales proceeds during an event should be kept in a locked metal box or cash drawer at all times.

Check Acceptance

- For University deposits, checks should be written payable to “LSU Shreveport”.
- Checks should have the customer/student information pre-printed on the face of the check.
- Payer must show some form of photo ID, such as student ID, driver’s license, or state photo ID. The ID information should be written on the face of the check.

Endorsement of Checks

All checks are to be restrictively endorsed to the University immediately upon receipt. This endorsement protects the check if lost or stolen. The endorsement must include the following:

For Deposit Only
LSU Shreveport

Limitations on Acceptance of Payments by Check

Departments are not authorized to return currency to the payer in the event that the check exceeds the amount due to the University. Departments may not accept post-dated checks. All checks received by a department must be deposited as outlined in **REQUIREMENTS FOR DEPOSITS**.

Returned Check Procedures

Any checks returned by the University’s depository bank as uncollected are sent to the Office of Accounting Services. Examples of returned checks include; non-sufficient funds (NSF), closed account, payer’s signature missing, and post-dated or stale-dated checks.

If the check is returned on a departmental deposit, the Office of Accounting Services will debit the originating department’s account for the amount of the check. A copy of the transaction and the returned checks are mailed to the originating department for collection. It is the originating department’s

responsibility to notify the check writer and use due diligence to collect the amount of the check from the payer. Generally, restitution should be in the form of currency, money order, cashier's check, or certified check.

If the check was written as a student payment, a receivable is set up for the student along with a \$25.00 returned check fee.

V. REFUNDS

All refunds must be paid by University check.

VI. INCOMING WIRE TRANSFERS

Purpose

This section of the policy defines and outlines University procedures regarding incoming wire transfer transactions. These transactions typically are US Government funding or other special payments.

Wire Transfer Requirements

The Office of Accounting Services must be contacted prior to the initiation of a wire transfer in order to identify/match the transaction with the following information. A copy of the information regarding the wire must be sent to the Office of Accounting Services and should include:

- Source of wire (sender or bank)
- Any identifying code numbers (reference and verification)
- The date wire is expected
- Amount of the wire transfer
- General ledger account number to which the funds are to be deposited

All incoming wires should be directed to the University's depository bank with instructions to the sender to include as much pertinent information on it as possible for identification purposes (i.e., for Tuition and Fee payment: the student ID; for others, the department name and company)

VII. VISA/MASTERCARD/AMERICAN EXPRESS/DISCOVER

Purpose

This section of the policy defines and outlines University policy with regard to the acceptance and handling of credit and debit card transactions.

Introduction

To accommodate customers wanting to pay by credit or debit card, authorized departments may accept Visa/Mastercard/American Express/Discover payments. This process is consistent with other cash-handling procedures though some additional steps are required.

Departmental Responsibility

Charge card transactions are monetary transactions and therefore subject to the same control and reconciliation policies as cash transactions. A daily accounting of receipts, from sales or deposits, should be balanced against these electronic transactions. They should then be deposited with any currency, coins, and checks to the cashier in the Office of Accounting Services.

Automatically, the actual funds for the charge card transactions are electronically deposited into the University's bank account and reconciled by the Office of Accounting Services. All personnel authorized to accept credit and debit card payments must exercise reasonable care in screening transactions to reduce card misuse and loss of funds. Credit card transactions can only be accepted when the cardholder is present or via the Web Portal.

Procedures to Deposit and Report Credit and Debit Sales

- A Batch Settlement report consisting of an Audit List and Card Summary report must be printed at the end of each day. After balancing, the batch must be closed.
- Enclose the printed Batch Settlement report along with any other deposits and forward to the cashier in the Office of Accounting Services.
- The card terminal will electronically remit daily totals directly to the bank.
- Charge-backs and rejects of card transactions will be charged to the departmental/student account.
- Bank reports reflecting rejects and charge-backs will be sent to the originating department from the Office of Accounting Services.
- Even if no cash or checks are received by the department on a given day, credit card batches must be delivered to the Office of Accounting Services on a daily basis.

VIII. CHARITABLE GIFTS

All charitable gifts to LSU Shreveport should be brought to the Director or Associate Director of Accounting Services. LSUS Foundation donations should be brought to the Office of Development on the second floor of the Administration Building. Gift checks should never be deposited directly to the cashier.

IX. GRANTS

All grants awarded to LSU Shreveport are processed through the Office of Accounting Services. Grant checks should never be deposited directly to the cashier, but should be brought to the Assistant Director of Accounting Services for Grants and Contracts in the Administration Building, room 113.

X. CHECK-CASHING

The cashing of checks (both company and personal) is prohibited at LSU Shreveport.

XI. CHANGE FUNDSPurpose

Change funds are made available to authorized cash-handling personnel for the purpose of making change for currency sales and/or services. These funds can be permanent or temporary.

Request and Authorization

Permanent change funds should be requested by a departmental memo or email to the Vice Chancellor for Business Affairs. The request should identify the department needing the funds, the amount of the request, and the purpose/use of the funds. A temporary change fund should be requested by a departmental memo or email to the Director or Associate Director of Accounting Services.

Distribution of Funds

Change funds are distributed by the Office of Accounting Services directly to the department. A custodian must be named for each fund. All money distributed to and received from a change fund will be counted in person with both the person distributing/returning and the person receiving the funds.

For permanent change funds, a Change Fund Custodian Responsibility Agreement must be completed for each time a fund is established, increased, decreased, or closed. Changes in the custodian also require a new agreement form be completed. For temporary change funds, a Temporary Change Fund Request form must be completed.

Custodian Responsibilities

Departments should assign a custodian responsible for the accountability of each change fund.

- The custodian of the fund is fully responsible for the safekeeping of the fund and for its proper usage. The custodian must exercise caution in the administration and protection of the fund in his/her possession.
- The fund should be locked at all times and the key should be kept in the custodian's possession. At no time should the funds be left in unlocked desk drawers or cabinets.
- Any discrepancies in the fund are the responsibility of the custodian.
- Change funds must not be commingled with other funds or used for any other purposes.

Fund Restrictions

- The change fund is to be used only for making change in cashiering operations.
- The change fund cannot be used for expenditures.
- At the conclusion of its use, a change fund must be returned to the Office of Accounting Services.

Loss of Funds


- Funds lost due to circumstances beyond the control of the custodian must be repaid from the department's funds or other available operating funds.
- In the case of burglary or theft, University Police should be notified immediately.

Physical Verification of Permanent Change Funds

The Office of Accounting Services will perform a physical count of each permanent change fund on at least an annual basis. A record of the count will be


signed by both the custodian and the counter. Any discrepancies will be verified twice then adjusted by either a distribution or return of the over/short amount to bring the fund back to its original amount. All minor shortages and overages (less than 5% of the fund) will be recorded to the over/short account. Any major differences will be reported to the custodian’s supervisor and the Vice Chancellor for Business Affairs.

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