Handling Cash

A guide for campus departments
Handling cash for the university is an important responsibility. This booklet has been created to help make it easier to correctly meet that responsibility.

This booklet is a guideline only. Should there be any variance between this booklet and either UC or UCD policy, the policy will govern.
Obtaining Change Funds

Change funds, and temporary change funds, are available for departments conducting cash sales on either a temporary or ongoing basis.

- Change funds provide a constant amount of change, both currency and coin, at departments in which cash sales are made on a regular basis; change funds are obtained through Internal Control (contact information on back cover)

- Temporary change funds are for amounts less than $1200, and must be returned within one week of receipt; temporary change funds are obtained through the Cashier’s Office (contact information on back cover)

Change funds may be obtained in the following currency bundles:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Bundles of ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100</td>
<td>$2000</td>
</tr>
<tr>
<td>50</td>
<td>1000</td>
</tr>
<tr>
<td>20</td>
<td>500</td>
</tr>
<tr>
<td>10</td>
<td>200</td>
</tr>
<tr>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>1</td>
<td>25</td>
</tr>
</tbody>
</table>

Individual bills can also be provided upon request.

Coins are provided in rolls only, as follows:

<table>
<thead>
<tr>
<th>Rolls of ...</th>
<th>Value per Roll</th>
</tr>
</thead>
<tbody>
<tr>
<td>quarters</td>
<td>$10.00</td>
</tr>
<tr>
<td>dimes</td>
<td>5.00</td>
</tr>
<tr>
<td>nickels</td>
<td>2.00</td>
</tr>
<tr>
<td>pennies</td>
<td>.50</td>
</tr>
</tbody>
</table>
A cash drawer or till should be used to manage and dispense your change funds. It should contain compartments for the currency and coins.

The drawer must be lockable, and the currency compartment should be removable to allow for checks or credit card slips to be stored underneath.

Cash should be separated into slots by denomination, portrait side up and facing in the same direction.

The highest denomination (e.g., $100 bills) should always be on the left, decreasing to the smallest denomination (e.g., $1 bills) in the far right slot. Coins should follow the same pattern, with the highest to the left, decreasing to the right.
About Receipts

The receipts can be ordered at http://ucdbuy.ucdavis.edu, Storehouse catalog number 71461-137.

A receipt should always be given to the payee when you accept money. The receipt can come either from a cashiering system or point of sale equipment (e.g., a cash register). If those are not available, the transaction should be recorded on an official Cash Receipt for Departmental Sales, Form D-14 (refer to UCOP BUS 49).

If the manual form is used, they should be used in sequence, and the cash-handling employee must sign or initial.

The receipt should contain information about the sale or payments, including:

- Total amount due
- Amount received
- Amount of change given, if any
- Method of payment (cash, check or credit card)

At least 3 copies of the receipt are needed:

- One to be given to the customer
- One to be sent to Internal Control, with a copy of your KFS Cash Receipt (CR) document (see pg 17)
- One for your records
Accepting Cash

When accepting cash from a customer, always keep the bill(s) you receive in full view of the customer until the transaction is complete. This will prevent any confusion - for example, the customer may insist they gave you a $20 bill, and you believed it was a $10 bill.

Always verbally count the money you have received, as well as the change that you are dispensing.

Once you have given the customer their change, place the bill(s) you were given in their respective slots, portrait side up and facing the same way as the other bills in the drawer.

Use the anti-fraud tips on page 21 to guard against accepting counterfeit currency.

Processing Credit Cards

You must contact the campus credit card coordinator before accepting credit cards. They can provide you instructions, and advise you on the proper equipment, administrative responsibilities and costs.

The campus credit card coordinator for UC Davis is the University Cashier of Accounting & Financial Services. See the back cover for contact information for Internal Control.

Use the anti-fraud tips on page 23 to prevent fraudulent credit card use.
The following conditions must be met on any checks accepted:

- The date must be written on the check, and it must be within the past six months
- The legal and written amounts must agree (see pg. 24)
- The check must be made payable to the Regents of the University of California, or some variation thereof (e.g., UC Regents)
- The check must be signed
- The check must be written in U.S. dollars

Third party checks should never be accepted.

Use the anti-fraud tips on page 23 to guard against accepting fake checks.

Endorsing Checks

Checks should be endorsed immediately upon receipt. The endorser must be the same as the payee on the front of the check (i.e., the UC Regents).

University endorsement stamps (see illustration) can be used for all of the different university payee designations (e.g., UC Regents, University of California Regents).

The endorsement is placed on the back, in the upper left corner of the check. This is in compliance with Federal regulations.
Issuing Voids and Refunds

A void is the immediate (same business day) cancellation of a transaction and return of any funds received.

To process a void:

- Obtain the original receipt from the customer (all voided receipts must be retained)
- If using an electronic cashiering system (e.g., cash register), follow the voiding process for that system
- If the customer paid with cash, return the cash after voiding the transaction
- If the customer paid with a check, return their check to them - never return cash for a transaction paid by check
- If the customer paid by credit card, follow the credit card voiding process - never return cash instead of reversing the credit card transaction
- Document the void authorization, including:
  - Amount voided
  - Date of void
  - Explanation of void
  - Signature of void issuer
  - Signature of supervisor
- Submit the documentation to Internal Control, with the KFS Cash Receipt (CR) prepared for that day

A refund is generally issued after the fact, when all or part of the purchase is returned or not completed. Refunds must be given in compliance with the department’s published refund policy.
If you are using an electronic cashiering system, at the end of the day you should generate the balancing form. This should tell you the total amount of sales you should have in the form of cash, checks and credit cards.

If you are using a manual receipt system, you will need to run an adding machine tape of your receipts. This is how much money you should have, minus the amount of the change fund you started the day with.

For both systems you would then do the following:

- Run two calculator tapes of your checks.
- Run a tape on your cash, by denomination (e.g., add the total of $100 bills and enter into the calculator, repeat for each denomination). Do the same for coins - enter the total for quarters first, then dimes, then nickels and finally pennies.
- Run a tape for all credit card receipt totals.
- Run a final tape on all three totals - checks, cash and credit cards.

This final tape should match your cashiering system report, or your tape of manual sales receipts (whichever is applicable). If it does not, then you will need to repeat the tapes above.

**Overages and Shortages**

If you cannot balance your transactions with the money received, then you have an overage or shortage situation. All overages and shortages must be recorded into a departmental income account using the appropriate object code. Additionally, a departmental form with the signature of the individual who discovered the discrepancy, the amount, an explanation and a second signature of a supervisor or manager must be submitted to Internal Control with the KFS Cash Receipt (CR).
You should have your cash, checks, credit card receipts, along with the reports (if applicable) and tapes run in the Closing Balance Process.

If you are not preparing your deposit immediately upon balancing, you should secure the cash, receipts and tapes in a safe until you are ready to prepare the deposit.

**Note**

UCOP BUS 49 requires deposits containing over $500 in cash to be made immediately. Deposits of less than $500 must be made at least weekly.

You are now ready to prepare a Cash Receipt (CR) document in KFS.

A CR must be completed for all deposits made to university accounts. It must be completed in accordance with UCOP BUS 49.

A printed copy of the CR must be included with the currency, coin and checks deposited at the Cashier’s Office. Signed copies of the CR and the receipts are also to be sent to the Internal Control division of Accounting & Financial Services.

Departments should retain copies of the CR, receipts and tapes in a secured area for two years, in accordance with policy.
Transporting deposits to the Cashier’s Office must be done in a secure manner, in order to protect both the financial assets and the individuals involved in the transport.

Transport options include:

- Employees in dual custody, walking or driving to the Main Cashiering Station (for low dollar amounts only)
- Employees escorted by Campus Security or a campus police officer (752-1727), for deposits in excess of $2500
- Secure Armored Car Service for recurring large deposits of coin and currency; there are fees associated with this service; contact Internal Control to make arrangements

For endorsed checks and cash equivalents only, deposits may be addressed to the Main Cashiering Station, and placed in the campus mail. The department should make and retain copies of all checks and cash equivalents before making this type of deposit, just in case the deposit is lost and needs to be reconstructed.

**Note**

Photocopies of checks contain sensitive financial information and must be securely stored, then destroyed appropriately (e.g., shredding) when no longer needed.
The treasury department has incorporated many security features over the years, including color shifting inks and microprinting. The features most consistently used, and the best for detecting fraud, are:

- **Color-shifting ink.** These inks, used in the numeral on the lower right corner of the face of some bills, change color when viewed from different angles. The color change varies with the bill, and the year printed.

- **The watermark.** It is visible as darker and lighter areas when held up to the light. Since the watermark does not copy on color copiers or scanners, it is a good way to authenticate a bill. In some older bills, it depicts the same historical figure as the engraved portrait; newer designs typically use the denomination of the bill.

- **The security thread.** It is a thin thread or ribbon running vertically through the bill. The bill’s denomination is printed on the thread. The thread is visible from the front or back, and may be to the right or left of the portrait, depending upon the denomination and year printed.

See the Resources & References page for links to additional information on identifying security features in U.S. currency.
Checks
- Like U.S. currency, checks should have a watermark. These marks are not easily visible, and can be seen only when the check is held up to the light at a 45 degree angle.
- The check should also have an MICR line at the bottom (see diagram).

Credit Cards
When processing credit card payments, you should always check that the card is signed and that the expiration date has not passed. When processing the credit card transaction, you should compare the signature on the credit card receipt against the signature on the card.

If a customer gives you an unsigned card, you should request a photo ID, such as a driver’s license or passport. Ask the customer to sign the back of the card, and compare their signature to that on the ID. An unsigned card is not considered valid by the credit card companies, so you should not accept the card if the customer will not sign it in your presence.
Cash equivalents
In the context of payments and payment transactions, this refers to money orders, cashier’s checks, traveler’s checks, and stored value products such as gift certificates and gift cards.

Change funds
A constant amount of change, both currency and coin, at departments in which cash sales are made. The department withholds the change fund amount from its collections before they are deposited with a major cashiering station; the change fund is used for the next period’s cash sales activities.

KFS
Kuali Financial System. The financial information system used by the University of California, Davis campus.

Endorser
The person or entity who, by signing a negotiable instrument (e.g., a check), transfers his or her ownership of the instrument to another.

Overs/Overage
When the amount in your cash drawer exceeds the total amount of your cash drawer initial balance and all accounted-for transactions. See also “Shorts”

Payee
The person or organization to whom a check, draft or note is payable. The payee’s name follows the words: “Pay to the order of.”
Glossary continued

Refund
A return of funds to a consumer for a returned product. See also “Void.”

Shorts
When the amount in your cash drawer is less than the total amount of your cash drawer initial balance and all accounted-for transactions. See also “Overs.”

Cash Receipt (CR)
An electronic document in KFS that is used to record deposits of cash, checks and cash equivalents. The document can only be completed by an authorized KFS user.

Temporary change funds
A change fund needed for 7 working days or less, for an amount of less than $1200.

Third-party checks
A check written to someone who endorses the check by signing the back, then passes the check to another party, who then endorses it prior to cashing.

Void
Nullifies a transaction that has been recorded for settlement, but has not yet been settled. See also “Refund.”

Watermark
A design embossed into a piece of paper during its production. It is used in the production of checks and U.S. currency, and should be looked for to insure against fraud.
Anti-fraud resources


- Know your money - http://www.secretservice.gov/money_detect.shtml

Forms

- Temporary Change Fund Request - http://cashier.ucdavis.edu/dept/tempchng.cfm
Contacts

Main Cashier’s Office
1200 Dutton Hall
One Shields Ave
Davis, CA  95616

Phone: (530) 752-0460
Fax: (530) 752-5328
Web: http://cashier.ucdavis.edu

For UCDHS Cashiering questions, contact the Hospital Cashier’s Office at (916) 734-2630

Internal Control
2100 Dutton Hall
One Shields Ave
Davis, CA 95616

Phone: (530) 757-8511
Fax: (530) 754-9258
Web: http://accounting.ucdavis.edu/ic