

Student Club Accounts Cash Receipting and Check Handling Policy

California State University, Dominguez Hills Foundation

California State University, Associated Students Inc.

PURPOSE

The Executive Director of the California State University, Dominguez Hills Foundation, to be known in this document as “Foundation” in conjunction with the Director of California State University, Associated Students, Inc. to be known in this document as “ASI” has the responsibility for establishing the procedures for proper accountability of cash receipting and handling for Student Club Organizations and herewith establishes this policy for the cash handling of all Student Club Organization funds.

The purpose of this policy is to establish internal controls for processing cash receipts and to ensure that payments are deposited into Foundation accounts in a timely manner and recorded into the appropriate project accounts. The term cash includes coin, currency, checks, money orders and cashier’s checks.

Nature and Scope of Services

ASI engages FOUNDATION, and the FOUNDATION agrees to provide financial accounting and disbursement for officially recognized clubs and organizations of the UNIVERSITY. See Exhibit A: Procedures for Student Club Accounts.

Foundation employees will adhere to Foundation’s Cash Handling Policy when handling all funds including Student Club Organization funds. Club Organizations will adhere to the “Cash Handling Policy” set forth and stated here by Foundation and ASI.

Foundation will perform periodic reviews to ensure that inactive and unrecognized student organization accounts are properly closed, with the funds disposed of in accordance with the Foundation account application.

Cash Handling Policy and Procedure

Associated Students, Inc. collects cash and checks as part of its normal business activities through established procedures to ensure proper handling and security of funds. Cash is collected for student club/organization deposits and scheduled ASI programs.

ASI EQUIPMENT

Cash Box

Associated Students, Inc. utilizes a separate cash box for each service or event to ensure funds are properly documented and accounted for. Receipts for each transaction are issued to the customer, with a carbon copy remaining in the cash box. Services are regularly reconciled and programs are reconciled at the end of the registration period.

Safe

Associated Students, Inc. utilizes a combination locked safe for all monies (cash and checks) collected. Executive Director will maintain a list of all authorized personnel with access to the safe’s combination. A safe’s combination must be changed whenever a person who knows the combination leaves employment.

BACKGROUND CHECK:

Individuals that hold sensitive positions and all employees handling cash and cash equivalents are subject to background checks.

ASI Receiving Checks Procedures

- The Front Desk Coordinator records checks on a check log and gives to the Finance Manager stated in this document as FM to match the check with the invoice.
- Checks are stamped with the bank endorsement stamp (“For Deposit Only”) on the back of the check by the ASI Finance Manager (FM) or CDC Manager as received.
- Finance Manager attaches backup to check and prepares deposit memo to be signed by Executive Director (ED).

ASI Checks/Cash that are dropped off in person

- The Front Desk Assistants or CDC Manager writes out a receipt to the bearer of the check/cash and gives to FM to match payment with invoice
- FM attaches backup to check and prepares deposit memo to be signed by ED.

ASI Daily Depositing Procedures

- FM verifies amount of cash or check amount for the various deposits: If deposit is from a revenue generating area (Ticket Sales)
- The amount is balanced against the ticket log of sales (ticket sales).
- If deposit is from Accounts Payable (generated invoice)
- Front Desk Coordinator logs in check as “received”
- FM matches check to office copy of the invoice and indicates on the invoice log that the invoice has been paid. FM also stamps the invoice as “paid.”
- FM passes the “paid” invoice and prepares deposit memo to be signed by ED.
- Non-Invoiced deposits (sponsored programs)
- Front Desk Coordinator logs in check as “received”
- Manager of Programs attaches any back up paperwork to check and passes to FM
- FM verifies check with check log and prepares deposit memo to be signed by ED

How ASI Receives & Deposits Funds with CSUDH Foundation (Student Clubs and Organizations)

- Student clubs and organizations shall be accountable for the collection and deposit of cash and checks received by Student Club Organizations.
- An official ASI receipt shall be recorded for each collection using a pre-numbered receipt book or a daily receiving log in circumstances where it is not practical to use a receipt book. The cash receipt and daily receiving log must be signed by an authorized signer.
- ASI and CSUDH Foundation maintain current signature applications for each registered student club and organization with names and specimen signatures for authorized student and advisor signers.
- Upon receipt of a check the FM shall endorse the back of the check “For Deposit Only”.
- FM will take student club and organization deposits to CSUDH Foundation.
- Upon receipt of deposit from the ASI Finance Manager, the CSUDH Foundation will issue an official receipt.
- At no time shall student clubs and organizations accept credit or debit cards.
- Student clubs and organization shall keep cash and/or checks in a secure location at all times.
- Student Club Account Deposits receiving less than \$250.00 per day are required to make deposits to ASI when they accumulate \$250.00, or weekly, whichever comes first. ASI must then deposit cash to Foundation within 48 hours of receipt. The term cash includes coin, currency, checks, money orders and cashier’s checks.
- If the Student Club Organization fails to meet any of the above criteria, ASI will notify the Student Club Advisor and OSL via email. If the late deposit pattern continues a meeting will be held with the Student Club Advisor, Foundation Controller, ASI designee, and OSL to resolve the issue, which may include closure of the Student Club Account.

Segregation of Cash Handling Duties

Segregation of duties must be maintained when cash is received and no single person should have complete control. If departments or student clubs and organizations are unable to comply with the following requirements due to lack of resources, mitigating controls must be implemented to prevent and detect loss from fraud or negligence.

- Student Club Account Deposits receiving less than \$250.00 per day are required to make deposits to ASI when they accumulate \$250.00, or weekly, whichever comes first. ASI must then deposit cash to Foundation within 48 hours of receipt. The term cash includes coin, currency, checks, money orders and cashier's checks.
- Foundation employees are governed by Foundations Cash Receipting and Handling Policy included but not limited to Unit Depositing Procedure, Timely Deposits, and Check Acceptance Procedures.
- Foundation will always count funds in a secure location and issue a receipt to the depositor.
- Funds for student club accounts must always go through ASI first. Students cannot deposit funds directly to Foundation.
- Under no circumstances are deposits to be forwarded to the Foundation through campus mail. Never place deposits in the Foundation mailbox or front desk in-box.

FOUNDATION CHECK ACCEPTANCE PROCEDURES WITH ASI

This section relates to checks presented by ASI.

ACCEPTING CHECKS:

Subject to limitations or exceptions stated below, checks are accepted by the Foundation.

- Conditions for acceptance:

To be accepted, each check presented must:

1. Be payable to the California State University, Dominguez Hills Foundation, except for a check payable to project with a DBA name.
2. Be recently dated - not postdated or stale dated. Such checks will be brought to the attention of ASI Account Director via email by the Foundation.
3. Be properly signed or endorsed by the presenter.
4. Be in agreement as to numeric and written amounts.
5. Be legibly written in ink or typed.
6. Have Federal Reserve routing codes printed as part of the MICR encoding at the bottom of the check.
7. Not be altered or grossly mutilated.
8. Not have any unreasonable restrictions placed on the face which excessively limit its application.
9. Contain sufficient information to permit tracing the presenter (e.g. address, telephone number, etc.). Some units may have a more restricted policy.

- Verifying presenter information:

Some form of identification, preferably one having a picture, must be checked to verify the identification of each presenter of a check.

- Restrictive endorsement and information required:

All checks accepted by the Foundation must be restrictively endorsed immediately upon request before deposited with the Foundation. The Foundation will provide all projects with an endorsement stamp

- Discrepancy between numeric and written amounts:

When the numeric and written amounts on a check do not agree, a new check should be requested. If a corrected check cannot be obtained, the check should clear based on the written amount. The written amount is entered above the numeric amount and circle.

EXHIBIT "A"

Foundation/ASI Procedures for Student Club Accounts

Section 1. Nature and Scope of Services

ASI engages FOUNDATION, and the FOUNDATION agrees to provide financial accounting and disbursement for officially recognized clubs and organizations of the UNIVERSITY.

Section 2. Student Club Accounts will adhere to Foundation's Trust Account Policy

Consistent with CSU Executive Order 1059 (Utilization of Campus Auxiliary Organizations), the Foundation "may accept or administer campus funds" as an agent of the University (except those revenues listed in Foundation's Trust Account Policy).

Trust accounts may be established by campus departments with administrative approval of the Division Head, the Vice President for Administration and Finance, and the Foundation's Executive Director or appointed designee, subject to the restrictions noted above. The trust account application shall articulate the purpose of the account, the authorized signers, the benefit to the institution, and the types of expenses allowable. The account(s) **shall expire three years** from their establishment, unless renewed. This shall ensure that all trust accounts are periodically reviewed by the Foundation not less than every three years.

Furthermore, any changes to account signers must submit an Updated Signature Form for Student Club Organizations. This application will need to be filled out in full with ALL authorized Account Signers signatures along with the Club Advisors signature signifying approval. This form will also act as a renewal extending the expiration date an additional three years. This "Updated Signature Form" will supersede any past signature applications. This revision/renewal form will not need to go through the same initial Account set-up process but must still receive OSL approval, Student Club Advisor approval, and ASI's Account Director approval along with Foundation Executive Director or Foundation designee approval. Account holders are responsible for timely submitting Updated Signature Forms prior to their accounts' three year expiration date.

Section 3. Student Club Account Set-Up

Students will set-up student club accounts by filling out a new Account Application form found on Foundation's website. The form can be electronically filled out but will need to be printed for authorized signatures. Once the person requesting an account has filled out the documents and their authorized signers have signed the form, including student club advisor, and OSL, the student turns the form in to ASI. ASI will guide the student through the Account set-up process. ASI is to ensure the student has completely filled out the form and the document is free of errors prior to approving the Account Application. Once the account has been approved the Account Director (for all student club accounts the Account Director is the Executive Director of ASI) shall sign the account set-up form signifying the information is correct to the best of ASI's knowledge. ASI routes the form to Foundation, the Finance and Business Coordinator creates an account by entering the information into Foundation's accounting system, One Solution. The Business and Finance Coordinator then gathers the appropriate approvals/signatures: Director or designee of Foundation and University CFO, then scans all documents into the accounting system. Once all steps have been completed Foundation sends out an official account set-up confirmation memo on Foundation letterhead to the individual who requested the account be set-up, the authorized account signers, ASI, and OSL. The memo includes the account name,

number, and expiration date along with the contact info of the Business and Finance Coordinator.

Section 4. Renewal/Revision of Account

The account(s) **shall expire three years** from their establishment, unless renewed. This shall ensure that all trust accounts are periodically reviewed by the Foundation not less than every three years. Renewals of trust accounts beyond the three years from their establishment requires submission of an "Updated Signature Form" which will automatically renew the account for three years. Furthermore, any changes to account signers (deletions or additions) must submit an Updated Signature Form. The Updated Signature Form will not need to go through the same initial Account set-up process but must still receive OSL approval, ASI Account Director approval, along with Foundation Controller or Foundation designee approval. Account holders are responsible for timely submitting Updated Signature Forms to renew their account prior to their accounts' three year expirations

Section 5. Process for deposits and disbursements of student organization funds.

Student Club Accounts Cash Receipting and Check Handling Policy. Foundation employees are governed by Foundation's Cash Handling Policy. ASI interfaces with the customer, as a bank teller would in a financial institution. Foundation acts like the "bank" holding and disbursing funds. All Finance Forms and Documents for disbursement of funds will follow Foundation Policies In accordance to the type of disbursement.

Depositing Funds:

Students will deposit funds through ASI. ASI will then create a "deposit memo" noting the account number, name of account, and object code. Account numbers and object codes for verification can be found in the chart of accounts posted on Foundation's website. It is the responsibility of ASI to ensure the correct account number and object code are denoted. Errors in account numbers can cause deposits to be placed into an incorrect account. Deposits can be made by anyone, disbursements can only be requested by a verified account signer.

Disbursement of Funds:

Disbursement of funds forms can be found on Foundation's website for Student Club Organizations, commonly used forms are: Student Travel Waiver, Travel Expense, Payment Check Requests, Purchase Order, and Purchase Justification Forms. All forms must first be submitted for approval to ASI. After approving and verifying all information submitted is correct, ASI forwards the forms to Foundation for processing.