

September 10, 2012

To: DISTRIBUTION

From: Delanie Moler

Re: Cash Handling Procedures and Credit Card Information

****Revised from the July 23, 2012 memo. Added or Revised Items are shaded in GREY.****

According to our records, you and / or members of your staff collect funds from students or customers and/or handle credit card information. As collector of funds (whether cash, check or credit card) or a distributor of funds (cash, checks or gift cards), it is very important that you and your staff understand and follow the University Policies associated with cash (including gift cards) / check / credit card handling. These policies are available on line for your review. These policies are the minimal rules required. Departments may require compliance with even more stringent rules.

Failure to comply with these policies could have financial and / or legal ramifications for the department and the individuals involved and may result in the immediate termination of employment. Departments may want to review position descriptions to ensure cash handling responsibilities are outlined.

- University Policy: “*Cash Handling – Policies and Procedures for Receipt, Deposit and Security of Cash*”. You can access this policy in Section 40.2.8 on the University Policy Library website:
<http://policies.rutgers.edu/PDF/Section40/40.2.8-current.pdf>
- Memo from Bruce Fehn, Vice President for Finance & Administration dated October 3, 2011 entitled “*Non Public Personal Information (NPPI)*”. You can access this memo on the University Office of Information Technology Information Protection and Security website:
<http://rusecure.rutgers.edu/nppimemocurrent>
- University Policy: “*Credit Card Acceptance*”. You can access this policy in Section 40.2.15 on the University Policy Library website:
<http://policies.rutgers.edu/PDF/Section40/40.2.15-current.pdf>

- Payment Card Industry (“PCI”) Data Security Standard (“PCI-DSS”) Self Assessment Questionnaire (“SAQ”). The version of the SAQ required will depend on the manner in which credit card information is transmitted from your department to the credit card processors. For instructions and guidelines for selecting and completing the appropriate SAQ, please refer to the PCI Security Standards Council website:
https://www.pcisecuritystandards.org/merchants/self_assessment_form.php

For additional information on the PCI-DSS requirements please visit:
http://www.rci.rutgers.edu/~univcont/forms/pci/pci_dss_v1-2.pdf

- Fiscal Year End Process letters issued by the Office of the Controller

After reviewing these documents and the information provided in this memo, each employee handling cash, checks, gift cards, credit cards, or credit card information must sign the last page of this letter (the “signature page”). Any employee refusing to sign this letter should not handle cash, checks, gift cards, credit cards, or credit card information. It is up to each departmental supervisor of each department to distribute this letter to employees, collect the signature pages, sign as a witness to the employee’s signature, make a copy of all signature pages for their departmental files, and **forward the original signature pages** to the Office of Treasury Operations. It is the responsibility of the supervisor to ensure that signed letters are on file in the Office of Treasury Operations **for every** employee that handles cash, checks, credit cards or credit card information. As employees leave or new employees (who will handle cash, checks, gift cards, credit cards, or credit card information) join the department, it is the responsibility of each departmental supervisor to notify the Office of Treasury Operations.

It is the responsibility of the department supervisor / manager to ensure all employees follow these procedures. Violations will be reported to Internal Audit and Public Safety for further investigations. Continued violations will be subject to appropriate disciplinary action.

Cash and Check Handling Procedures:

According to the cash handling policy and sound business practices, departments that collect cash and checks are responsible to properly safeguard, reconcile record and deposit funds promptly. To minimize risk, cash must be stored in a secure location and promptly forwarded to the campus Cashiers Office for processing and to be deposited to the University’s banks. In order to comply with this policy, the following processes / procedures must be followed:

- Departments must maintain segregation of duties between those receiving cash, checks or credit cards and those responsible for recording and depositing these receipts.

- Under no circumstances, should funds collected at the department level be used to pay vendors, student workers, consultants, etc. or be used for personal / employee loans. To discuss disbursement options, contact your business manager, the Office of the Controller or the Office of Treasury Operations.
- Departments are encouraged to have camera surveillance over workstations in which cash is handled.
- Safes being used to store cash or checks must be closed and locked immediately upon depositing the cash into the safe. Safes should never be left unlocked once the employee walks away from the safe.
- Departments must maintain segregation of duties between those with knowledge of the combinations to safes and the accessibility to keys to the money drawers within the safes. It is recommended that no less than 2 nor more than 3 persons know the combination to the safe and that no less than 2 nor more than 3 other persons have access to the keys to the money drawers.
- Combinations / keys to the safe should be changed at least annually. They must be changed immediately upon the separation from the department (whether voluntary or involuntary) of any employees to which the combinations are known and / or the keys are accessible.
- **Immediately upon receipt**, checks collected should be restrictively endorsed: *“For deposit only Rutgers, The State University, Bank Name and Account Number”*. For specific bank name & account # information please contact your cashier’s office on your campus: New Brunswick Cashier’s Office @ (848) 932-2254, Newark Cashier’s Office @ (973) 353-5423 or Camden Cashier’s Office @ (856) 225-6021. Endorsing the checks reduces the possibility of the checks being stolen and cashed by someone other than Rutgers. Including the general ledger number aides the Cashiers Office to process properly any returned checks. All departments should use a self-inking stamp which, if not already on hand, can be purchased from Staples.
- **Checks must be hand delivered to the Cashiers Office within one business day of receipt**. If deposits are delayed in delivery to the Cashiers Office, please provide a written explanation for the delay so as to establish an audit trail. Checks held within the department overnight must be locked in a **fireproof** safe.
- Please take utmost care and appropriate security measures to ensure the safety of the person delivering the cash or checks to the Cashiers Office. If delivered by courier / public safety, the individual delivering the deposit should deliver the deposits to an authorized individual. Deposit slips will be returned to the department in the same manner as deposits are received.
- Cash should always be counted in front of the person from whom it was received.

- **Departments should deposit cash and submit cash transmittals on a daily basis no later than the day after receipt of cash or checks** *(please see limits and security requirements outlined below if deposit are not made on the day of receipt of cash or checks)*. There are limited exceptions to the requirement to make daily deposits.
- Cash transmittals must include the following information:
 - Department name **AND** campus address
 - Deposit bag number
 - Date
 - Account title
 - Account number with object code listed once
 - Bank name
 - Bank number
 - Amounts
 - Preparer's signature and telephone number – if signature cannot identify the signer, please print the preparer's name also
 - Approval signature – this must be different than the preparer – if signature cannot identify the signer, please print the approver's name also.
 - Composition of deposit
 - Line items, composition of deposit, and all items submitted (cash / checks) should be accompanied by a calculator tape
- Cash deposits in excess of \$2,000 must be transported by a uniformed member of the University's Police Department. Cash deposits of lesser amounts may be transported by a member of the department so long as security measures are taken so as not to place employees at risk.
- When preparing cash deposits, cash must be counted by two individuals in front of each other (preferably under camera monitor) and immediately placed in the tamperproof bag in front of both individuals. The bag should immediately be verified, signed and sealed by both individuals.
- If deposits are held by the department overnight, this should only be done after deposits are placed in the signed and sealed, tamperproof bags.
 - Deposits of amounts greater than \$1,000 but less than \$7,500 must be stored in a locked, fully fire resistant safe which is rated to resist specialized burglar tools & the deposits must be delivered to the Cashiers Office not later than the following business day.
 - With approval of the Office of the Controller or the Office of Treasury Operations, deposits of \$7,500 or greater may be stored overnight in a locked, fully fire resistant safe which is rated to resist specialized burglar tools **ONLY IF** the office has an actively working secure alarm system

connected to the University Police Department with motion detectors and a secure key system. If the office is not so equipped, the deposits of \$7,500 or greater must be made on the day the funds are received.

- Departments must purchase specific, tamperproof bags from the Office of Treasury Operations and these bags must be used for making deposits. No department may order bags from other sources without the expressed consent of the Office of the Controller and the Office of Treasury Operations. Two sizes of bags are available to meet department needs. These bags must be secured within the department and used sequentially.
 - Small bag
 - Size: 8 inches by 10.5 inches
 - Color: White / Opaque
 - Preferred Minimum Order Size: 500 bags (one case) [the Office of Treasury Operations will work with departments where the minimum is not appropriate]
 - Cost: \$0.20 (twenty cents) per bag
 - Large bag
 - Size: 12 inches by 16 inches
 - Color: Clear
 - Preferred Minimum Order Size: 500 bags (one case) [the Office of Treasury Operations will work with departments where the minimum is not appropriate]
 - Cost: \$0.30 (thirty cents) per bag
- Each department must maintain a deposit log, indicating the date, CT number, bag number and amount of the deposit, at a minimum. Lost, stolen or damaged / voided bags should be noted on the log. This log sheet must be signed by two people. Log sheets are subject to random / periodic audits.
- Each cash deposit must be accompanied by a cash transmittal and placed in a separate deposit bag. Multiple deposit bags for the same business day and a copy of the log sheet should be stapled together, when picked up by police escort or, when applicable, when hand carried to the Cashier's office. Multiple sealed deposit bags and log may also be placed into one large tamperproof bag as long as all the bags are going to the same final delivery destination for convenience.
- Please indicate the delivery destination on the **TOP** of each bag.
- To purchase bags, please email Susan Burr @ susan.burr@rutgers.edu. Subject line should read "Purchase Tamperproof bags". In the body of the email indicate the quantity of bags to purchase and the "Fund Source & Organization Code" to which the purchase should be charged. Susan Burr will notify departments by

email once the bags are ready to be picked up. A signature and proof of identification are required from the person picking up the bags.

Gift Cards

Gift cards, whether VISA branded or individual store branded, are cash – they should be handled with the same security and concern as if they were hard currency. The following procedures must be followed:

- When gift cards are picked up at the bank, the cards should be compared to the inventory registry supplied by the bank. Any discrepancies should be noted before leaving the bank.
- Gift Cards should be stored in secure locations – following the same instructions as for Cash. If the value of the gift cards held is an amount greater than \$1,000 but less than \$7,500 they must be stored in a locked, fully fire resistant safe which is rated to resist specialized burglar tools. *[The value of gift cards held is calculated as the individual card value times the number of cards held.]*
- If the value of gift cards held is \$7,500 or greater, they must be stored in a locked, fully fire resistant safe which is rated to resist specialized burglar tools **AND** the office must have an actively working secure alarm system connected to the University Police Department with motion detectors and a secure key system. If the office is not so equipped, gift cards held cannot have a value greater than \$7,499.99.
- A minimum of two individuals should be involved whenever gift cards are removed from storage and distributed. Each should compare the cards being removed from storage to the inventory registry and should sign & date next to the number on the registry, noting that the cards were being removed from inventory.
- When gift cards are distributed to the ultimate recipient, a receipt should be signed by the recipient confirming his / her receipt of the specific card number. For confidential studies, this may not be possible. However, the Principal Investigator should have record of the recipient of each card number.

Payment Card Information

According to the credit / debit card policy, departments that accept payments by credit or debit card are responsible to properly safeguard the cardholder's information, reconcile, record and submit cash transmittals promptly. In order to comply with this policy, the following processes / procedures must be followed:

- No department should accept credit / debit card transactions without a valid business reason and the expressed consent of the Office of Treasury Operations.

No credit or debit cards may be accepted until explicit approval is received from the Office of Treasury Operations. To receive the explicit approval, all departments wishing to accept credit / debit card information must send a letter indicating the business reason for accepting credit cards and the name and contact information for the departmental employee responsible for credit card to: Danilo Jastive, Office of Treasury Operations, ASB, Room #306 and send it by e-mail to danijast@treasury.rutgers.edu. If the employee responsible for credit card acceptance changes, the manager of the department must notify the Office of Treasury Operations immediately and supply the name and contact information for the new person responsible for credit card acceptance.

- Departments that need to engage in electronic commerce are required to use the University-wide solution approved by the Vice President for Finance and Associate Treasurer. In the rare instances that this solution is not appropriate, **prior to purchasing or contracting for other solutions**, departments are required to work with the Office of Information Protection and Security to ensure the e-commerce application they are considering meets all university policies and recommended security standards, and with the Office of Treasury Operations to ensure it meets the PCI-DSS.
- Once acceptance is approved, the department must complete the appropriate Self Assessment Questionnaire (Exhibit D) and review policy 40.2.15 "Credit Card Acceptance Policy". After all employees who will have access to payment card data have reviewed this policy, managers of the departments must acknowledge, in writing, acceptance of this policy and agreement to be bound by the terms thereof.
- The SAQ and written acknowledgement of the policy is required annually by manager of all departments accepting credit cards. Failure to submit these documents will result in the termination of the department's ability to accept credit cards (merchant IDs will be suspended) until the documents are submitted.
- Departments accepting credit /debit cards, in person or through the web (if not through the University-wide e-commerce solution), must apply for their own merchant ID and should use their own credit card machines for better control. To obtain merchant IDs and credit card machines or to inquire about a waiver of this requirement, please contact Danilo Jastive, Office of Treasury Operations, by e-mail at danijast@treasury.rutgers.edu.
- Departments must not open Pay Pal accounts for the acceptance of University payments without the expressed written consent from the Office of Treasury Operations.
- Departments must batch out credit card processes daily – NO EXCEPTIONS.

- **Departments must deliver cash transmittals no later than the day after credit card transactions occur.** There are limited exceptions to the requirement to deliver cash transmittals on a daily basis and these exceptions must be approved by the Office of the Controller.
- When credit card information is submitted over a telephone line or via a fax machine, the line must be analog – it cannot be “voice over internet protocol” (“VOIP”).
- At no time should credit card information be sent / or delivered though e-mail.
- At no time should credit card machines be left unattended. If not in use, the machines should be locked in a secure location with limited access to the machine. When being reconnected after being stored, credit card machines should be inspected to ensure no devices have been attached that could compromise the machines.

SPECIAL NOTE:

If unsure about any part of this communiqué or any of the policy statements to which this document refers, or if you have questions on how to handle cash, check, gift card or credit card transactions, please feel free to contact the Office of the Controller or Office of Treasury Operations. Also, if you have any suggestions on “best practices” in the handling of cash, checks or credit cards, please contact the Office of Treasury Operations so that we can share with the campus.

Signature Page

Acknowledgement of Cash Handling and Credit Card Procedures

Please sign and date this memo acknowledging that you have received, reviewed and understand this information. Please send the fully executed signature page to the Office of the Treasury. The individual employee and the department should keep a copy for their records.

Printed Name of Employee	Signature of Employee	Date
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Witnessed:

Printed Name of Supervisor	Signature of Supervisor	Date
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Printed Name of Department