

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY POLICY
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 1 of 1

I. PURPOSE

To provide guidelines and procedures to ensure that all money paid to the College in the form of cash, checks or payment cards is properly receipted, accounted for, protected and deposited on a timely basis, and to ensure that the College complies with payment card industry data security standards.

II. POLICY

College departments must receive authorization and ensure that their employees who will be responsible for handling cash receipts are properly trained and controls are in place before accepting cash, checks or payment cards. In addition, wherever payment cards are accepted as payment, the College will comply with established payment card industry data security standards.

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 1 of 10

I. REFERENCES

- A. Utah Code, Title 51, Chapter 4, “Deposit of Funds”
- B. Payment Card Industry Security Council – Current Data Security Standards:
www.pcisecuritystandards.org

II. DEFINITIONS

- A. **Cardholder Data**: Data that contains the full card account number, expiration date and cardholder name.
- B. **Cash**: Cash consists of currency, coins, checks, money orders and traveler’s checks.
- C. **Cash Change Fund**: A fund of money consisting of small currency bills and coins used to make change for larger currency bills tendered by a customer. The dollar value of a change fund always remains intact. This may also be referred to as a “beginning cash drawer fund”.
- D. **Cash Receipting Center**: A department or office of the College that is authorized to accept or take in cash receipts.
- E. **Cash Receipts**: A term that represents all payment forms and includes cash, checks and payment cards.
- F. **Cashier**: An individual whose job duties include the receiving, handling and processing of cash receipts.
- G. **Deposit Transmittal Form**: This is a form created by the Controller’s Office for each cash receipting center that is used to record all the revenue transactions into the College’s accounting system. The transmittal form also documents the cash balancing and deposit preparation steps outlined in these procedures. The form shows the cash and check amounts that are to be deposited as well as payment card transactions that are electronically credited to the College’s bank account.
- H. **Payment Card**: A bank issued debit or credit card (i.e., Visa, MasterCard, American Express, Discover) and the College OneCard.
- I. **Payment Card Industry Data Security Standards (PCI DSS)**: These are standards established by the Payment Card Industry Security Standards Council. Any merchant that accepts payment cards is required to comply with these standards.

III. PROCEDURES

A. Establishment of Responsibility and Internal Controls:

Because of the sensitive nature of cash receipts and cardholder data, it is important that responsibilities and procedures are clearly defined and followed by all employees involved with cash

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 2 of 10

receipting. Defining responsibilities and procedures helps protect employees who handle or have access to cash receipts as well as the College from theft of money or cardholder data. Budget center managers, direct supervisors and cashiers are responsible for compliance with these procedures if their department accepts cash receipts. The establishment of strong internal controls and these procedures for cash receipt collections and payment card acceptance is necessary to ensure that all funds received are properly receipted, accounted for, safeguarded and deposited on a timely basis. Internal controls help prevent mishandling or loss of funds and the theft of personal payment card information.

B. Authorizing and Establishing a Cash Receipting Center:

1. Controller's Office pre-authorization is required before cash receipts can be collected. Departments that wish to be a cash receipting center must submit a written request to the Controller's Office prior to accepting money that includes:
 - a. Reason(s) why collecting cash receipts is needed.
 - b. A list of individuals or positions that will be involved with the cash receipting process.
 - c. Whether there is a need for a cash change fund, and the desired dollar amount thereof.
 - d. Whether there is a need or expectation to accept credit and debit cards. Only the Controller's Office is authorized to establish new credit card merchant accounts and the department must be willing to accept costs associated with accepting payment cards.
2. After a request is received and approved, the Controller's Office will assist the department in establishing proper segregation of duties and procedures to help ensure money is accounted for, safeguarded and deposited on a timely basis.

C. Operating Procedures for Cash Receipting Centers: A list of required procedures to be implemented by each cash receipting center is as follows:

1. Every cash receipt transaction must be receipted and recorded through a cash register system or use of pre-numbered manual receipts. In each case, a receipt must be produced and presented to the customer at the conclusion of the transaction. Approved pre-numbered receipt booklets are available at the Cashier Services Department (Cashier's Office).
2. Special attention should be taken to validate all "void, refund, cleared, or no-sale" transactions. A second person, such as another cashier or supervisor, where possible should approve the transaction at the time it occurs.
3. When pre-numbered manual receipts are issued, the unused inventory of receipts must be secured at all times. Copies of the used receipts (including those which are voided) and the

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 3 of 10

unused receipts must be accounted for at all times and are subject to audit by the Cashier's Office.

4. Separation of employee duties, as established in conjunction with the Controller's Office or Cashier's Office, must be maintained at all times within the cash receipting operation.
5. As part of the deposit preparation process, all funds received must be reconciled to the cash register summary totals, such as the "Z" tapes, or to the pre-numbered receipts on a daily basis. - Cash, checks and payment cards must be accounted for and reconciled separately. All void, refund, cleared, or no sale transactions should be highlighted and accounted for with each deposit. For ease in completing and documenting this reconciling process, a deposit transmittal or recap form should be utilized for each deposit (also refer to F. "Balancing of Cash Receipts" and G. "Preparation of Deposits" of these procedures). The Controller's Office is responsible for creating a deposit transmittal form that will be unique for each department.
6. For each deposit, an independent person, one who does not have access to the cash receipts, must reconcile the bank or cashier deposit amount to the original cash register ("Z" tape) or other receipt summaries to help ensure that all funds that should have been received are actually deposited. Any void, refund, cleared or no sale transactions noted in the deposit backup should be reviewed for reasonableness. The person performing this independent reconciliation must sign on the deposit backup to indicate this step has been completed.
7. All checks, cash and credit card receipts must be physically protected during the day by using a cash register or locking drawer; and if kept overnight, in a safe or other secure place until the money is deposited. Cash should only be kept in cash registers during hours of operation.
8. Cash registers or other cash drawers should be locked when not attended, even if the cashier only leaves the station for a brief period of time.
9. Money is not to be counted in public view so a secure area for counting and preparing the deposit must be provided and restricted to authorized personnel.
10. Checks should be made payable to "Salt Lake Community College" and must be endorsed promptly with a restrictive endorsement stamp payable to Salt Lake Community College. The endorsement stamps must be ordered through the Cashier Services Department.
11. As a general rule, checks or debit card transactions are not to be written or entered for more than the amount of purchase in order for the customer to get cash back. In the case where a tendered check is pre-written for a larger amount than the amount due, the check may be accepted if the cash back to the customer is determined to be minimal.
12. Cash receipting centers, with the exception of the Cashier's Office, are not allowed to cash personal checks from cash receipts.

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 4 of 10

-
13. All cash receipts should be deposited at the Cashier's Office window, or bank whenever practical, within 24 hours of receipt, but no longer than every three days as per State law. A College cashier window receipt shall be considered the same as a bank deposit receipt for the purpose of the independent reconciliation of the amount deposited back to the original supporting receipt documentation.
 14. Under no circumstances may purchases be made directly from cash receipts.
 15. When an employee who has a key or safe combination to where money is held terminates employment, the key must be collected and the safe combination changed.
 16. Any employee designated to be a cashier should receive training provided by the Cashier's Office before working independently as a cashier.
 17. An employment background check must be requested and completed prior to hiring a person (whether a part time or full time employee) for a "full time" cashier position. A full time cashier position is one where the employee's primary duty is cashiering. Employment background checks are not required for new employees where they may perform cashiering duties on a sporadic or occasional basis.

D. In-Person Cash Receipting Procedures:

1. A receipt must be created and presented to the customer for each payment received at any cash receipting center. At a minimum, manual pre-numbered receipts must include the date, mode of payment (cash, check or credit card), and the identification of the department and the person issuing the receipt. A cash register receipt should also have similar information except for the cashier's name.
2. Unless an exception is granted, only one cashier is allowed access to a cash register or cash drawer during a single shift. The cash drawer should be closed out at the end of every shift so that only one person is responsible for the transactions and related cash receipts.
3. All checks, cash and payment card receipts must be physically protected during the day by using a cash register or locking drawer and if kept overnight, in a safe or other secure place until the money is deposited. Safes or other secure places should not be left unlocked during operating hours.
4. All checks received must have additional identification written on the check such as the student ID number (S number), or driver's license number if not a student.
5. All checks received should be made payable to "Salt Lake Community College" and must be endorsed promptly with a restrictive endorsement stamp payable to Salt Lake Community College.

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 5 of 10

6. As a general rule, checks or debit card transactions are not to be written or entered for more than the amount of purchase in order for the customer to get cash back. In the case where a tendered check is pre-written for a larger amount than the amount due, the check may be accepted if the cash back to the customer is determined to be minimal.

E. Cash Receipts Received Via Mail:

1. The mail must be opened with two people present and all checks should be immediately endorsed with a restrictive endorsement stamp and entered on a check log to establish receipt and fiscal tracking accountability/responsibility. The log should subsequently show the disposition of the checks, whether transferred to another person, department, or deposited at the Cashier's Office or bank.
2. Cash receipts received in the mail should be identified and officially receipted as quickly as possible and deposited promptly according to these procedures.
3. Unidentified checks must be immediately forwarded to the Controller's Office for research and deposit.

F. Balancing of Cash Receipts:

1. At the end of each day or cashier shift, the cashier must close the batch or session and balance the money collected to the cash register or manual receipts. This is done by physically counting and comparing the total of the cash, checks and credit cards on hand (net of the change fund amount) to the cash register summary or Z-Tape information, or to the pre-numbered receipts used during the session. Any dollar difference must be accounted for separately as an "overage" or "shortage" on the deposit transmittal or recap and must be investigated and resolved to the extent possible.
2. All voided, refund, cleared or no-sale transactions should be approved by another person where possible. Otherwise, these transactions in addition to overages and shortages should be accounted for on the deposit transmittal to be reviewed by a supervisor for validity, reasonableness and appropriateness.

G. Preparation of Deposits: College departments may deposit money directly with a bank or at a College cashier window as determined by the Controller's Office. In either case, the cash receipts collected must be properly accounted for and entered into the College's accounting system.

1. Deposits made to a bank
 - a. Bank deposit slip booklets must be ordered and obtained from the Controller's Office.
 - b. A calculator tape of the checks should be included with the checks bundled together.

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 6 of 10

-
- c. Cash and checks must be recorded on the deposit slip in the appropriate spaces.
 - d. Once a deposit is final, the completed bank copy of the deposit slip, cash and checks must be put in sealable deposit bags to prevent tampering.
 - e. The College will employ an armored car service for deposit bag pickup and delivery to the bank. Employees are not to personally transport deposit bags to the bank unless approved to do so by the Controller's Office in unusual circumstances.
 - f. A deposit transmittal or recap report must be completed and submitted to the Cashier's Office or Business Office, per Controller directive, to record all the revenue transactions into the College's accounting system. The transmittal report must show the cash and checks amount that was deposited and separately show the payment card transactions that were electronically credited to the College's bank account. Accordingly, a copy of the payment card batch summary should be attached to the transmittal. In addition, for accounting purposes, the transmittal should have a line for each type of revenue received that contains a description of the type of transactions, the dollar amount, and the appropriate index and account numbers.
 - g. If available, the returned bank deposit receipt should be filed with a copy of the transmittal and cash receipts backup for subsequent audit purposes.
2. Deposits made at a cashier's window
- a. The department's deposit transmittal report takes the place of a bank deposit slip when money is deposited at a cashier's window. Each department should work with the Controller's Office in designing a unique deposit transmittal report to meet the requirements of both the department and the Cashier's Office.
 - b. A calculator tape of the checks should be included with the checks bundled together.
 - c. Cash and checks must be recorded on the transmittal report in the appropriate spaces.
 - d. Once a deposit is final, the completed deposit transmittal report, cash, checks and copy of the payment card batch summary information must be put in a sealable or locked deposit bag to prevent tampering.
 - e. When transporting deposit bags to the cashier's window, employees should exercise care to make sure that the bags are inconspicuous during transit. It is recommended, where possible, that two employees transport the deposit together or a Parking and Security Services escort may be requested.

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 7 of 10

-
- f. A deposit transmittal report must be completed for every deposit taken to the cashier's window to document the deposit amount and to record all the revenue transactions into the College's accounting system. The transmittal report must show the cash and checks amount that was deposited and separately show the payment card transactions that were electronically credited to the College's bank account. Accordingly, a copy of the payment card batch summary should be attached to the transmittal. In addition, for accounting purposes, the transmittal should have a line for each type of revenue received that contains a description of the type of transaction, the dollar amount, and the appropriate index and account numbers.
- g. The official cashier's receipt should be filed with a copy of the transmittal and cash receipts backup for subsequent audit purposes.
- H. Independent Reconciliation of Cash Collected and Deposited:** For each cash receipting center, an independent person (one who does not have access to the cash receipts) must compare the total receipts to the deposit amount to help ensure that all funds that should have been received are actually deposited into a College bank account or at the cashier's window. The independent person's duties include:
1. Reviewing the cash register transactions summaries, such as the "Z" tape, or manual pre-numbered receipts and comparing the total sales amounts that should have been collected to the deposit amount recorded on the copy of the deposit transmittal report.
 2. Comparing the transmittal deposit total to the actual bank deposit receipt or the cashier window receipt.
 3. Signing off on the transmittal copy or otherwise documenting that the above tasks were accomplished without exception. Any noted differences must be immediately reported to the Controller's Office.
- I. Procedures When Using Pre-Numbered Manual Receipts:** In situations, such as certain special events, where mechanical cash registers are not available or practical, a pre-numbered receipt system must be used to document each sales transaction. Pre-numbered paper receipts may be obtained from the Cashier's Office which will maintain a log that records the number(s) of the receipts issued, the date issued and the name of the person receiving the receipts. The receiving department is responsible and accountable to the Cashier's Office for the disposition of all the receipts (used and not used receipts). Therefore, the department must take steps to safeguard and protect the blank receipts from theft. As receipts are issued to customers for payment received, a receipt copy must be retained for end-of-day balancing, deposit preparation and subsequent independent audit purposes.
- J. Special Event Cash Receipting:** There may be certain temporary special events where the use of cash registers or pre-numbered receipts is not practical. For such an event, such as when tickets are

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 8 of 10

to be sold, the organizing department must work with the Controller's Office to establish appropriate cash receipting methods that incorporate the principles covered in these procedures.

K. Change Fund Procedures: The dollar amount of granted change funds will be determined jointly by the department, Cashier's Office and the Controller's Office. A change fund (sometimes referred to as beginning cash drawer funds) usually consists of small currency bills and coins used to make change for larger currency bills tendered by a customer. The following guidelines pertain to change funds:

1. The exact amount of the change fund must always remain in place. It cannot be used to "cover" any cash shortages or overages. Therefore, at the end of each day or cashier session, the exact amount of the change fund must be counted and set aside before other cash receipts are counted and balanced for deposit purposes.
2. Departments may exchange large currency bills for smaller bills and coins at any cashier window or bank.
3. Change funds are subject to unannounced audits by representatives of the Cashier Services Department.
4. When a change fund custodian is replaced and responsibility is given to another person, both persons should count the fund together to ensure the full fund amount is present before the new person accepts responsibility for the change fund. Plus, the Cashier's Office must be notified of all new fund custodians.

L. Petty Cash Procedures: Departments are not permitted to establish a petty cash fund unless specifically granted and issued by the Controller's Office. Those having petty cash must agree to follow specific instructions and procedures given when the fund is received, and are subject to unannounced audits by representatives of the Cashier Services Department. In general, rather than using petty cash, departments are expected to use one of the other small dollar purchase tools the College has made available.

M. Payment Card Data Security Procedures

1. **Background:** Inasmuch as the College is committed to accepting credit and debit cards as payment for provided goods and services, it is obligated to comply with the data security standards issued by the payment card industry (PCI). A security breach and subsequent compromise of payment card data may have far-reaching consequences for the College, including:
 - a. Fulfilling regulatory notification requirements;
 - b. Loss of reputation;

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 9 of 10

- c. Loss of students/customers;
- d. Potential financial liabilities (for example, regulatory and other fines and fees); and
- e. Litigation.

2. General Procedures

- a. Storage of sensitive authentication data that includes the contents of the magnetic stripe, the card validation or security code and PIN number or block is strictly prohibited.
- b. Storage of cardholder data requires approval from the Controller's Office. Cardholder data consists of the full card account number, expiration date and cardholder name. If there is not a strong, valuable business reason for needing cardholder data, then it should not be stored in any format, whether electronic or hard copy.
- c. Storage of cardholder data on local PC or laptop hard drives, floppy disks, CDs or other external media is prohibited.
- d. Cardholder data may not be transmitted via fax, email or otherwise electronically without using strong encryption technology.
- e. If storage of cardholder data is approved, the department must comply with strict security standards, established in conjunction with the Controller's Office, to protect the cardholder data. Generally, employee information security responsibilities must be clearly defined, the data must be physically safeguarded, and access limited to only those with a need to know. The department should keep data storage for only the minimum time period needed, but no longer than one year from the original transaction date. The data must be tracked or inventoried up through the time it is properly shredded or destroyed.
- f. The IT Department is responsible for maintaining secure College networks, systems and applications that involve payment card transactions and monitoring and testing of such systems in accordance with the PCI data security standards.
- g. Each outside point of sale vendor or payment service provider, prior to beginning operations with the College, must provide documentation (and submit to the Controller's Office) showing compliance with the PCI data security standards.
- h. A suspected data security breach must be reported immediately to the College PCI Security Committee. The committee is responsible for conducting an investigation and informing the Vice President of Business Services of any potential and confirmed data breaches.

BUSINESS SECTION
CASH RECEIPTING AND
PAYMENT CARD INDUSTRY
DATA SECURITY PROCEDURES
CHAPTER # 2
POLICY # 8.02

Cabinet Approval: 03/02/10
Board of Trustees Approval: 04/14/10
Page 10 of 10

- 3. PCI Security Committee:** A College PCI Security Committee shall be established and have at a minimum a representative from the Controller's Office, Internal Audit Office and the IT Data Security Officer. The committee will be responsible for the following:
- a. Implement a security awareness program for the purpose of making all employees aware of the importance of cardholder data security.
 - b. Establish, document and distribute security procedures and related information updates.
 - c. Monitor on-going security compliance on an annual basis and make procedure updates when the environment changes. Provide input and grant approval for adoption or changes in critical IT technologies that could impact data security.
 - d. Create an incident response plan that is to be implemented in the event of a system breach. Among other actions, the committee will analyze security alerts, document and coordinate security incident responses to ensure timely and effective handling of all situations.
- N. Exceptions to Above Procedures:** Requests for exceptions to these procedures must be submitted in writing to the Controller's Office for review and approval. Determinations whether to grant exceptions will be based upon available resources, risks and other circumstances surrounding the requesting cash receipting center.