

# Buffalo State College Foundation

## Cash Receipts Policy

### Department and Campus-Related Transactions

Effective Date: March 21, 2025

#### Purpose

The purpose of this policy is to establish controls for receiving, holding, and depositing cash receipts and to ensure that cash receipts are deposited into Foundation bank accounts in a timely manner and recorded into the appropriate accounts. The term “cash” includes coin, currency, checks, money orders, and cashier’s checks, including any electronic payment equivalents. It shall be the policy of the Foundation that no bank accounts for Foundation activity be maintained without the approval of the Executive Director of the Foundation and/or his designee.

#### Application

1. This policy applies to the receipt of funds by a department or campus-related entity of Buffalo State University for the benefit of the Foundation (“Covered Transaction”). For avoidance of doubt, a Covered Transaction does not include and this policy does not apply to funds received or collected by the Foundation directly or funds received by the Foundation as a fiscal agent or in a custodial capacity for other organizations, including any University affiliate.
2. This policy applies to the following individuals (“Covered Individuals”) engaging in or otherwise facilitating a Covered Transaction:
  - all directors, officers, employees, agents, and volunteers of the Foundation, including, but not limited to, any third party financial and accounting service providers to the Foundation (“Foundation Accounting”), which, as of the Effective Date of this policy, is Buffalo State University’s Finance and Management Department, and
  - Buffalo State University department employees and personnel.
3. This Policy shall apply regardless of where the Foundation funds received by a Covered Individual in connection with a Covered Transaction are deposited and maintained. For clarity, this includes funds to be deposited in the Foundation’s general operating account or investment accounts.

4. This Policy shall apply regardless of whether the Foundation, Buffalo State University, or any department or campus-related entity thereof is the named payee for any cash receipts.
5. This Policy shall apply to all Covered Transactions commenced or entered into on or after the effective date hereof. Fund received with respect to a Covered Transaction before the effective date of this policy shall be governed by those laws, policies, and procedures in effect at the time of receipt.

The Foundation Board may, from time to time, amend this Policy in order that it remains consistent with current best methods and business practices and applicable law.

### Custody

Procedures appropriate to the size and complexity of the activity shall be adopted by a department or campus-related entity to ensure responsibility for cash receipts can be traced to a single individual at all times. Such procedures may include cash registers, separate cash drawers, receipts, and logs. The Foundation may request information about the procedures used by a department or campus-related entity for Covered Transactions at any time. A department or campus-related entity shall adopt and use any process or procedure required by the Foundation for Covered Transactions.

### Segregation of Duties

Receipt of payments and deposit handling by a department or campus-related entity for any Covered Transaction should be done by an individual other than the one who performs billing and related accounting entries, refunds, and reconciliation. If segregation of duties is not possible due to the small size and limited staffing of a department, implement compensating controls appropriate for the nature and size of the operations.

### Securing

Receipts received by a Covered Individual with respect to a Covered Transaction must be secured at all times until they can be deposited in a locking device such as a safe with access restricted to a limited number of essential employees.

Cash receipts held by the department or campus-related entity while waiting to remit to Foundation Accounting must at all times be held in a secure location, under lock, key, or code combination. Only appropriate personnel should have access to the cash.

No cash receipts should be held in the department or campus-related entity over the weekend unless an activity required the collection of cash receipts.

## Deposit Method

Covered Individuals shall deposit receipts with Foundation Accounting.

## Holding Checks

Departments may occasionally receive money in the form of cash or checks that may later need to be refunded, i.e. event registration. Such monies are not to be held pending disposition of the issue in question and possible return of the remittance. Such monies are to be deposited with Foundation Accounting *immediately*. Any subsequent refund will be handled by the issuance of a Payment Request under the Foundation's Cash Disbursements Policy.

## Check Payee

All incoming checks for deposit in the Foundation shall be made payable to "The Buffalo State College Foundation, Inc." If a check is received that is not owed to the Foundation but rather to another party, i.e. Buffalo State University, it should be returned to the payer with an explanation that the check has been issued to the wrong party. It is not the policy of the Foundation to endorse checks to Buffalo State University, campus-related entities, or departments. It is not proper to accept payment and then issue a payment voucher to the correct payee. Checks made payable to "Buffalo State University" or the like, on occasion come to the wrong office. If a check payee is determined to be unknown, it should be hand delivered to the Office of the College Comptroller.

## Check Acceptance Procedures

This section relates to checks presented in payment for goods or services or as a donation to the Foundation.

### Accepting Checks

Subject to limitations or exceptions stated below, checks are accepted by the Foundation in exchange for goods or services provided.

### Conditions for Acceptance

1. Be payable to the Buffalo State College Foundation, Inc.

Be recently dated - no postdated or stale dated, i.e. dating no earlier than thirty days prior to the day of acceptance.

2. Be properly signed or endorsed “for deposit only”.
3. Be in agreement as to numeric and written amounts.
4. Be legibly written in ink or typed.
5. Federal Reserve routing codes should be printed as part of the encoding at the bottom of the check.
6. Not be altered or grossly mutilated.
7. Not have any unreasonable restrictions placed on the face which excessively limits its application.
8. Contain information sufficient to permit tracing the presenter, i.e. address, telephone number, etc.
9. Checks and cash equivalents bearing the legend “Payable or Paid in Full” are not to be accepted.
10. Verifying Presenter Identification.
11. Some form of identification, preferably one having a picture, must be checked to verify the identification of each presenter of a check. The Cashier verifying the identification must initial the check.

### Check Information

Occasionally, checks accepted for payment will be returned by the bank due to insufficient funds. Sufficient information should be obtained for each check accepted to facilitate the collection process should that become necessary. At a minimum this information would include name, address, phone number, and other identifying information as appropriate for the amount of the check.

### Check Endorsement

Any department receiving checks for the deposit in the Foundation bank account must *immediately* endorse the checks with a stamp that is provided by Foundation Accounting. Checks are not to be accepted and endorsed at a later time because of the risk of theft.

### Third-Party Checks

No third-party checks will be accepted. These are checks where the original payee is other than the Foundation, but which have been endorsed on the back by the original payee and then made payable to the Buffalo State College Foundation. These may create tax issues for the original payee that are better handled by having the payer reissue the check to the Buffalo State College Foundation.

### Insufficient Funds Fee

When a check is returned for insufficient funds, the Foundation's bank will charge the checking account an insufficient funds fee. This fee will be charged back to the account associated with the activity.

### Foreign Currency

Foreign currency (bills & coins) shall not be accepted. Acceptance of foreign checks denominated in foreign currency is permissible but discouraged because of currency risk, which is the risk that the actual exchange to US dollars will not cover the charge. Acceptance of foreign checks denominated in US Dollars is permissible but discouraged because of additional risks and costs of collecting outside the US. The preferred payment method from outside the US is a wire in US dollars. Contact the Financial Management Office for wire instructions.

### Timely Deposits

All Covered Individuals collecting cash receipts (cash, checks, credit card receipts) on behalf of a Covered Transaction or other activity that has been authorized to be held in the Foundation must deposit the funds in a timely manner, as follows:

1. Covered Individuals receiving \$100.00 or more, per day, are required to bring their cash receipts to Foundation Accounting, no later than the next business day.
2. Covered Individuals receiving less than \$100 per day are required to bring their cash receipts to Foundation Accounting when they accumulate to \$100.00, or weekly, whichever comes first, to the Foundation Accounting.
3. A completed Foundation Deposit Transmittal form must accompany the cash receipts.
4. Department personnel bringing the deposit to Foundation Accounting must wait for a count of the deposit and receipt acknowledging agreement with the deposit total.
5. Covered Individuals bringing cash receipts to the Foundation Accounting should stagger the days/times of the week if they receive cash on a regular, on-going basis.

6. If a Covered Individual fails to meet any of the above criteria, Foundation Accounting will notify the area AVP, Dean, or Director.
7. Under no circumstances are deposits to be forwarded to Foundation Accounting through campus mail.

### Electronic Payments

Notwithstanding anything to the contrary in this policy, Covered Individuals shall not accept electronic payments or receive funds electronically with respect to a Covered Transaction without the Foundation's prior approval. For example, a Covered Individual may not accept or receive funds through any platform like PayPal, Venmo, Google Pay, Apple Pay, Cash App, or any similar platform without the Foundation's prior approval.