



## East Stroudsburg University of Pennsylvania

# Reporting Cash Transactions in Excess of \$10,000

**Policy Number:** FA-2014-xx

**Review Date #:** N/A

**Effective Date:** 10-31-2014

**Division:** Administration & Finance

**Revised Date:**

**Responsible Office:** Business Office

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### A. Summary:

These procedures apply to reporting to the Internal Revenue Service (IRS) the receipt of cash in excess of \$10,000 in a single transaction (or two or more related transactions) that is received in the course of the University's trade or business.

### B. Process:

Generally, the University is required to report to the IRS the receipt of cash in excess of \$10,000 in a single transaction (or two or more related transactions) that is received in the course of the University's trade or business. Please refer to *General Rules of Reporting Cash Transactions over \$10,000* for important information on reportable transactions.

Form 8300, *Report of Cash Payments Over \$10,000 Received in a Trade or Business*, must be filed with the IRS for each reportable transaction by the 15th day subsequent to the transaction. The following procedures have been established to ensure the University's compliance with the Form 8300 reporting requirements.

<b>Timeline</b>	<b>Action Required</b>	<b>By Whom</b>
At the time of the transaction	<ul style="list-style-type: none"> <li>➤ Complete Form 8300 <ul style="list-style-type: none"> <li>○ Obtain the most recent version of Form 8300 from the IRS website at <a href="http://www.irs.gov/pub/irs-pdf/f8300.pdf">http://www.irs.gov/pub/irs-pdf/f8300.pdf</a></li> <li>○ Click here for <a href="#">Sample filled-out Form 8300</a></li> </ul> </li> <li>➤ <i>Memo for Payers of Cash to the University</i> - This document, which offers a brief explanation of the Form 8300 reporting requirements, should be provided to individuals (payers) engaged in reportable transactions to notify them of the University's obligation to file this form with the IRS.</li> </ul>	University department representative that received the cash
By the end of the day during which the transaction takes place	<ul style="list-style-type: none"> <li>➤ Send an email message to: <a href="mailto:mshaffer@esu.edu">mshaffer@esu.edu</a> to notify the Business Office that a reportable transaction has taken place and a Form 8300 has been completed. <ul style="list-style-type: none"> <li>○ Include a phone number at which the department administrator can be reached if there are any questions.</li> </ul> </li> </ul>	University department representative that received the cash
By the end of the next business day following the date of the transaction	<ul style="list-style-type: none"> <li>➤ Hand deliver the completed Form 8300 to the University Business Office located at: Room xxx, 2<sup>nd</sup> Floor, Rosenkrans West</li> </ul>	University department representative that received the cash
By the 15th day subsequent to the transaction	<ul style="list-style-type: none"> <li>➤ Review the Form 8300</li> <li>➤ If the form appears to be incomplete or incorrect, contact the department which received the cash for additional information relating to the transaction.</li> </ul>	Business Office
By the 15th day subsequent to the transaction	<ul style="list-style-type: none"> <li>➤ File Form 8300 with the IRS.</li> </ul>	Business Office
By January 31 of each year	<ul style="list-style-type: none"> <li>➤ Prepare and furnish end-of-year statements to all payers who were identified on Forms 8300 (and reported to the IRS) during the immediately preceding calendar year.</li> </ul>	Business Office
For at least five years from the date of filing Form 8300	<ul style="list-style-type: none"> <li>➤ Maintain a copy of the completed Form 8300.</li> </ul>	Business Office

For further information pertaining to Form 8300 reporting requirements, please refer to IRS Publication 1544, Reporting Cash Payments over \$10,000 at <http://www.irs.gov/pub/irs-pdf/p1544.pdf>.

If you have any questions regarding these procedures or the referenced documents, please contact the University Business Office at 570-422-3821.

**Please note: The University may be subject to severe penalties for non-compliance by the IRS.**

**A. Forms:** Internal Revenue Service Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business

**B. Related Procedures:** N/A

**C. Other Related Information:** N/A

**D. Authority:** N/A

**E. History:** N/A

**F. Appendices:** N/A



To: Payers of Cash to East Stroudsburg University

Re: Cash Transaction Reporting Requirement

Pursuant to Internal Revenue Code Section 60501, East Stroudsburg University is required to report to the Internal Revenue Service (IRS) each transaction in which more than \$10,000 in cash is received by the University. Cash is defined as U.S. and foreign currency and in certain circumstances, cashier's checks, money orders, bank draft or traveler's checks. When the University receives in excess of \$10,000 in cash in a single transaction (or in two or more related transactions), it is required to obtain the following information from the payer and provide it, along with payment information, to the IRS:

- Payer's name
- Payer's address
- Payer's date of birth
- Payer's Social Security Number or Individual Taxpayer Identification Number
- Payer's occupation
- Identifying Documentation – Used to verify identity, for example driver's license or passport
- If the transaction is conducted on behalf of another person, then the above information is required for that person as well. (If the person on whose behalf the transaction is conducted is not required to have a Social Security Number or Individual Taxpayer Identification Number, his/her alien identification information must be obtained and provided to the IRS.)

**If you pay the University over \$10,000 in cash, providing the above information to the University is required by law and will expedite the processing of your transaction.**

You will receive a statement from the University by January 31 following the calendar year the University received the cash from you. This statement will contain the name, address and phone number of the University department or office which received the reportable payment from you as well as the total amount of cash which was reported to the IRS during the calendar year.

We appreciate your cooperation. If you have questions regarding the IRS rules with respect to the required reporting of cash transactions, please contact the University Business Office at (570) 422-3821.

**This notice is for your information only; you do NOT have to complete or send any additional information.**

You can find the Internal Revenue Service's Form 8300 and instructions at <http://www.irs.gov/pub/irs-pdf/f8300.pdf>

## Sample Filled-Out Form 8300

*The filled-out Form 8300 below is based on the following fictitious transaction and is for illustrative purposes only. Additional or different parts of the form may need to be completed based on the facts of each transaction. Refer to the Form 8300 instructions at <http://irs.gov/pub/irs-pdf/f8300.pdf> or contact the University Business Office at 570-422-3821 if you have any questions with respect to completing the form.*

**Scenario:** On August 15, 2014, Jane Smith pays \$11,000 in cash at the Student Enrollment Center. The payment is applied to the account of her son, Joseph Smith, an East Stroudsburg University student. The unpaid charges in Joseph's account prior to the \$11,000 payment include tuition, room, board, and fees totaling \$18,000 for the Fall 2014 semester.

### Filling out Form 8300:

#### Part I

To complete Part I, the person who receives the payment must obtain the payer's name, address, taxpayer identification number (i.e. social security or individual taxpayer identification number), date of birth and occupation. In addition, the payer's identification must be verified, for example, by a photo driver's license. This identification must be documented in Part I of the form.

#### Part II

Because, in this example, the payments were made by one person (Jane Smith) on another person's behalf (Joseph Smith), Part II must be completed. The information required by Part II may be in the University's records or may need to be provided by the payer.

If the payer is conducting a transaction on his/her own behalf, Part II need not be completed. In this example, if Jane Smith were a student making a payment on her own student account (instead of her son's), Part II would not need to be completed.

#### Part III

The information required to complete Part III must be determined at the time of the transaction (e.g., form of "cash" payment, amount in \$100 bills or higher) or obtained from the University's records (e.g., total price and type of transaction).

#### Part IV

The address of the actual physical location where the cash was received (not a central University address) is required to be disclosed. Form 8300 must be reviewed by the department supervisor or other person who authorized the transaction; this person must then sign and date the form and indicate his/her University title and phone number.

#### Note:

Page two of Form 8300 must be completed when there are multiple parties to the transaction. Part I on page two must be completed if the reportable payment is received from more than one person. Part II on page two must be completed if the reportable payment is made on behalf of more than one person.

### Report of Cash Payments Over \$10,000 Received in a Trade or Business

Department of the Treasury  
Internal Revenue Service

► See instructions for definition of cash.  
► Use this form for transactions occurring after August 29, 2014. Do not use prior versions after this date.  
For Privacy Act and Paperwork Reduction Act Notice, see the last page.

1 Check appropriate box(es) if: a  Amends prior report; b  Suspicious transaction.

#### Part I Identity of Individual From Whom the Cash Was Received

2 If more than one individual is involved, check here and see instructions

3 Last name **SMITH** 4 First name **JANE** 5 M.I. **J** 6 Taxpayer identification number **0 1 2 3 4 5 6 7 8**

7 Address (number, street, and apt. or suite no.) **7 ANY STREET** 8 Date of birth (see instructions) **1 2 1 1 1 9 6 7**

9 City **ANYWHERE** 10 State **P A** 11 ZIP code **00000** 12 Country (if not U.S.) **Accountant**

13 Occupation, profession, or business **Accountant**

14 Identifying document (ID) a Describe ID ► **DRIVERS LICENSE** b Issued by ► **PENNSYLVANIA**

c Number ► **00 000 000**

#### Part II Person on Whose Behalf This Transaction Was Conducted

15 If this transaction was conducted on behalf of more than one person, check here and see instructions

16 Individual's last name or organization's name **SMITH** 17 First name **JOSEPH** 18 M.I. **J** 19 Taxpayer identification number **1 2 3 4 5 6 7 8 9**

20 Doing business as (DBA) name (see instructions) **STUDENT** 22 Occupation, profession, or business **STUDENT**

21 Address (number, street, and apt. or suite no.) **1 ANY STREET**

23 City **ANYWHERE** 24 State **P A** 25 ZIP code **00000** 26 Country (if not U.S.)

27 Alien identification (ID) a Describe ID ► b Issued by ►

c Number ►

#### Part III Description of Transaction and Method of Payment

28 Date cash received **0 9 2 6 2 0 1 4** 29 Total cash received **\$ 11,000.00** 30 If cash was received in more than one payment, check here

31 Total price if different from item 29 **\$ 18,000.00**

32 Amount of cash received (in U.S. dollar equivalent) (must equal item 29) (see instructions):

a U.S. currency \$ **11,000.00** (Amount in \$100 bills or higher \$ **11,000.00**)

b Foreign currency \$ **.00** (Country ► )

c Cashier's check(s) \$ **.00** Issuer's name(s) and serial number(s) of the monetary instrument(s) ►

d Money order(s) \$ **.00**

e Bank draft(s) \$ **.00**

f Traveler's check(s) \$ **.00**

33 Type of transaction a  Personal property purchased f  Debt obligations paid

b  Real property purchased g  Exchange of cash

c  Personal services provided h  Escrow or trust funds

d  Business services provided i  Bail received by court clerks

e  Intangible property purchased j  Other (specify in item 34) ►

34 Specific description of property or service shown in 33. Give serial or registration number, address, docket number, etc. ► **TUITION, ROOM, BOARD, AND FEES - FALL SEMESTER 2014**

#### Part IV Business That Received Cash

35 Name of business that received cash **EAST STROUDSBURG UNIVERSITY OF PA** 36 Employer identification number **2 3 2 5 0 4 4 6 2**

37 Address (number, street, and apt. or suite no.) **200 PROSPECT STREET** Social security number

38 City **EAST STROUDSBURG** 39 State **P A** 40 ZIP code **18301** 41 Nature of your business **PUBLIC EDUCATION**

42 Under penalties of perjury, I declare that to the best of my knowledge the information I have furnished above is true, correct, and complete.

Signature \_\_\_\_\_ Authorized official Title \_\_\_\_\_

43 Date of signature **M M D D Y Y Y Y** 44 Type or print name of contact person 45 Contact telephone number

Multiple Parties

(Complete applicable parts below if box 2 or 15 on page 1 is checked.)

Part I Continued—Complete if box 2 on page 1 is checked

Form section for Part I, first entry. Fields include: 3 Last name, 4 First name, 5 M.I., 6 Taxpayer identification number, 7 Address (number, street, and apt. or suite no.), 8 Date of birth (see instructions), 9 City, 10 State, 11 ZIP code, 12 Country (if not U.S.), 13 Occupation, profession, or business, 14 Identifying document (ID) with sub-fields a Describe ID, b Issued by, and c Number.

Form section for Part I, second entry. Fields include: 3 Last name, 4 First name, 5 M.I., 6 Taxpayer identification number, 7 Address (number, street, and apt. or suite no.), 8 Date of birth (see instructions), 9 City, 10 State, 11 ZIP code, 12 Country (if not U.S.), 13 Occupation, profession, or business, 14 Identifying document (ID) with sub-fields a Describe ID, b Issued by, and c Number.

Part II Continued—Complete if box 15 on page 1 is checked

Form section for Part II, first entry. Fields include: 16 Individual's last name or organization's name, 17 First name, 18 M.I., 19 Taxpayer identification number, 20 Doing business as (DBA) name (see instructions), Employer identification number, 21 Address (number, street, and apt. or suite no.), 22 Occupation, profession, or business, 23 City, 24 State, 25 ZIP code, 26 Country (if not U.S.), 27 Alien identification (ID) with sub-fields a Describe ID, b Issued by, and c Number.

Form section for Part II, second entry. Fields include: 16 Individual's last name or organization's name, 17 First name, 18 M.I., 19 Taxpayer identification number, 20 Doing business as (DBA) name (see instructions), Employer identification number, 21 Address (number, street, and apt. or suite no.), 22 Occupation, profession, or business, 23 City, 24 State, 25 ZIP code, 26 Country (if not U.S.), 27 Alien identification (ID) with sub-fields a Describe ID, b Issued by, and c Number.

Comments - Please use the lines provided below to comment on or clarify any information you entered on any line in Parts I, II, III, and IV

Five horizontal lines provided for entering comments.