



CASH RECEIPTS POLICY

Legal Authority/Requirement

R277-113	LEA Fiscal Policies and Accountability
R277-515	Utah Educator Standards

Purpose

This policy has been adopted to enable AMES to handle all cash receipts (including currency, coin, checks, ACH transactions, and credit card transactions) in a manner that safeguards public monies.

Scope

1. This policy and related procedures are applicable without exception to any and all individuals that that handle cash receipts or accept payment on behalf of AMES; to any and all forms of payment to AMES; to any and all AMES activities; and in all locations where AMES (public) funds are collected.
2. All AMES cash receipting shall be consistent with applicable law/ regulation and consistent with prudent management practices.
3. In all financial dealings, AMES employees will act in an ethical manner that is consistent with AMES policy, Utah Educators' Standards, and the Public Officers' and Employees' Ethics Act.

Segregation of Duties

1. Wherever possible - collecting funds, fund custody, maintaining documentation, preparing deposits and reconciling records should be segregated among different individuals.
2. When segregation of duties is not possible due to AMES' small size and limited staffing, the compensating controls of a) management/board supervision and b) review of financial records by board-appointed independent parties shall be implemented.

Definitions

“Public funds”-- Money, funds, and accounts, regardless of the source from which the funds are derived, owned, held, or administered by the state or any of its political subdivisions (including AMES) [Utah Code 51-7-3(26)].

General Cash Receipting

1. General Receipting Ethics/Control

- a. Under no circumstances are disbursements to be made directly from cash receipts (i.e., for purchases, reimbursements, refunds, or to cash personal checks).
- b. All payments of fees shall correspond with the approved fee schedule, as required by Board Administrative Rule R277-407.
- c. An AMES Principal/CEO must supervise all activities involving cash or authorized volunteer to ensure adequate controls are in place. Training should be given to those involved in handling cash.
- d. Cash should be counted by two individuals and verified against available documentation, each time custody changes through bank deposit.

2. Collecting Funds

- a. Except when required by after-hours or off-campus activities/events, employees shall instruct payers to take all cash, checks, and credit card transactions to the front office for receipt.
- b. No collecting or receipting of funds is to be done in classrooms, other offices or at unapproved off-site activities or functions.
- c. Employees should never personally hold funds in any location for any reason.
- d. Approval of front office staff is required for after-hours or off-campus receipting.

See Special Provisions below

- a. All checks should be made payable to “Academy of Engineering & Science (“AMES”) and restrictively endorsed upon receipt. Checks are not to be made payable to an employee, a specific department, or a program.
- b. The front office should receipt all funds immediately (cash, checks, Credit cards, etc.), by student name, if applicable; provide customers with a pre-numbered receipt; and retain a duplicate copy in the daily receipt or register detail.

3. Custody and Security of Funds

- a. All funds shall be kept in a secure location controlled by the front office until they are deposited in the bank.
- b. Employees should never hold funds in any non-approved location for any reason.
- c. Only the Office manager in partnership the business manager and with approval of the Principal/CEO may open checking and savings accounts used in AMES (including individual program) business.
- d. Passwords should be established on the accounting system computers and software and changed periodically.

4. Maintenance of Documentation

- a. All receipts shall be recorded in AMES’s accounting system.
- b. All receipting activity shall be substantiated by supporting documents and shall demonstrate that proper controls are in place. i. e.g. tickets, pre-numbered receipts, deposit slips, cash tally sheets, receipt registers, lists, cash reconciliations, reports, signatures for counts, receipts, donor requirements, award letters, journal entries, reconciliations, etc.
- c. Necessary documentation shall be kept according to Utah State Archive Rules.

5. Bank Deposits

- a. Funds may only be deposited in institutions and accounts that meet the requirements of the Utah Money Management Act.
- b. Two individuals should verify prepared deposit slips prior to making a bank deposit.

- c. Funds should be deposited daily if practicable, but no later than once every three banking days, in compliance with Utah Code 51-4-2(2)(a), in a school -approved account.

6. Reconciling Records

- a. Monthly reconciliations shall be performed on each AMES bank account.
- b. Activity accounts should be reviewed quarterly by both an administrator and assigned activity sponsor to ensure accuracy of revenues.
- c. Cash count sheets will be prepared daily for on-site sales up to \$500.

7. Supervision/Review

- a. The board shall appoint a reviewer that is independent of the receipting process to regularly review (every other month) cash receipting and deposit activities to verify that policies and procedures are being followed.
- b. The board reviewer, or designee, should present his/her findings at regularly scheduled board meetings.
- c. In conjunction with the reviewer's report, the full board shall receive financial statements (P&L, balance sheet, transaction listing, etc.) every other month to allow the board an additional level of oversight.
- d. All receipts are subject to at least annual audits conducted by an auditing firm hired by the AMES Board of Trustees.

8. After-hours and Off-Campus Receipting

- a. Cash count sheets will be used for cash receipts at school-sponsored activities after hours or off-campus. These sheets will be completed and signed by two adults, and retained for verification.
- b. Cash receipts shall never be taken home by employees or volunteers, or left in unsecured locations.
- c. Funds collected after-hours or at off-campus activities/events totally over \$500 shall be deposited by the Principal in an AMES bank account immediately following the activity.
- d. On the next date possible, count sheets deposits from after-hours/off-site activities/events shall be verified by front office staff.

9. Funds totally less than \$500 that are collected after-hours or at off-campus activities/events should shall either be deposited following the provisions of F.1 or be locked in cash boxes that are in then locked in a school cabinet or safe.
 - a. Cash count sheets documenting funds stored overnight at the school shall be retained separately from cash boxes.
 - b. On the next date possible, count sheets and cash boxes from after -hours/off-site activities/events shall be verified by front office staff and prepared for bank deposit.

Petty Cash & Change Funds Policy

1. Petty cash is not authorized.
2. Checks may not be made payable to “cash” or “bearer” and cashed by AMES employees to create change funds.

When necessary for an event or activity individuals may provide change funds.

- a. Change funds will be included in all count sheets and verified by the signature of another employee or approved volunteer, and accounted for with each use.
 - b. Verified change fund amounts will be returned to a providing individual after use. The return of change funds shall be documented by the providing individual's signature on the count sheet.
3. Expenditures shall never be paid out of change funds.