

# Cash Receipts Policy

## A. PURPOSE

To establish Promontory School of Expeditionary Learning policy for the handling of all cash receipts, to include currency, coin, checks, ACH transactions, and credit card transactions.

## B. SCOPE

This policy applies to all Promontory School administration, licensed educators, staff, students, organizations, and individuals that handle cash receipts or accept payment in any form on behalf of the school. The scope includes all activities at the school and in all locations where school activities and public funds are collected.

## C. SEGREGATION OF DUTIES

Wherever possible, duties such as collecting funds, maintaining documentation, preparing deposits and reconciling records should be segregated among different individuals. When segregation of duties is not possible due, compensating controls such as management supervision and review of cash receipting records by independent parties should be implemented.

## D. DEFINITION

“Public funds” are defined as money, funds, and accounts, regardless of the source from which the funds are derived, that are owned, held, or administered by the state or any of its political subdivisions, including Promontory School or other public bodies [Utah Code 51-7-3(26)].

## E. POLICY FOR CASH RECEIPTS

1. The school will comply with all applicable state and federal laws.
2. Day-to-day receipting of funds at the school should be done at the front office. Employees shall instruct payers to take all cash, checks, and credit card transactions to the front office staff for receipt, including all lunch payments and fieldwork donations. With approval from the Executive Director, exceptions may be made for receipting to be done in other on-site school locations or approved off-site locations that are conducive to facilitating the event, i.e., Back to School, Celebrations of Learning, etc. Provisions should be made for cash receipting/collection at approved off-site activities or functions. Please refer to the Fundraising Policy.
3. School employees should not open bank accounts, outside of the control of the school, for the receipting or expending of public funds associated with school-sponsored activities. The Executive Director must approve all checking and savings accounts used in school business.
4. All funds shall be kept in a secure location controlled by the front office staff until they can be deposited in an school-approved fiduciary institution. Funds should be deposited daily or within three days after receipt, in compliance with Utah Code 51-4-2(2) (a), in a school approved account. Employees should never hold funds in any location for any reason.

5. If the front office staff has left for the day or funds are receipted on the weekends, administrators should be available to lock cash receipts or cash boxes in a secure location in the school identified by the Executive Director until the next business day. Cash receipts should not be taken home by employees or volunteers, or left in offices not identified as a secure location.
6. All checks should be made payable to Promontory School. Checks should not be made payable to an employee, a specific department, or a program.
7. Appropriate internal controls and segregation of duties should be implemented for all cash activity. Cash should always be verified. Where verification is difficult, cash should be counted by two individuals.
8. All funds (cash, checks, credit card payments, etc.) received must be receipted and recorded by the school's front office. The business manager receives the deposit from the front office, makes the deposit, and records all transactions in the accounting records. Following the deposit and recording of transaction, a copy of the deposit slip is provided to the front office by the Business Manager for comparison to the receipting record.
9. All funds (cash, checks, credit card payments, etc.) received must be receipted and recorded in the school's accounting records. All transactions are recorded in the accounting records by the Business Manager who is not allowed to receive or make deposits.
10. Documents should be available, and should demonstrate that proper cash controls are in place (signatures for approval, tally sheets, reconciliations, etc.).
11. Under no circumstances are disbursements to be made directly from cash receipts (i.e., for purchases, reimbursements, refunds, or to cash personal checks).
12. All payments of fees shall correspond with the approved fee schedule, as required by Board Administrative Rule 277-407.
13. Periodic and unscheduled audits or reviews should be performed for all cash activity.
14. All activities involving cash must be supervised by a school employee or authorized volunteer to ensure adequate controls are in place. Training should be given to those involved in handling cash.

#### **F. PETTY CASH/CHANGE FUNDS POLICY**

1. Petty cash and change funds must be authorized by the school business manager.
2. All petty cash and change funds will be reflected on the school's accounting records and reconciled monthly.
3. These funds should not exceed amount designated by the school business manager.
4. All petty cash funds and change funds should be kept locked, in a secure location.
5. Checks may not be made payable to "cash" or "bearer" and cashed by the school or school employees to create change funds or petty cash funds outside of the approved petty cash and change fund accounts.
6. Reimbursements to petty cash accounts will be made only when supported by receipts and approved by the Executive Director.
7. Expenditures should not be paid out of change funds. Change funds will be included in all tally forms or on deposit count sheets, and accounted for with each use.
8. Funds are subject to unannounced counts by school personnel at any time.