

Superintendent's Regulation 6010-R

BV
Approved upon Superintendent's Initials

5/26/15
Date

CASH COLLECTIONS ON DISTRICT PROPERTY

I. OBJECTIVE

This regulation establishes building level expectations and responsibilities for all cash related activities that take place at the school building. Uniform standards and guidelines must be complied with for the collection and safeguarding of any and all cash and other cash equivalents in association with any District activities.

II. PROCEDURE

A. Chief Responsibilities

1. Ensure all employees are informed and comply with the requirements of this Regulation.
2. Reinforce responsibility and accountability for appropriate cash handling activities.
3. Implement an appropriate disciplinary response, in the event that this regulation is not complied with, particularly in the event that funds are missing.

B. Principal or Department Head Responsibilities

1. The Principal, Department Head or equivalent leader is ultimately responsible for ALL cash related activities that take place within his/her school/department.
2. Ensure that all cash activities within his/her school/department are for the benefit of the students and are in compliance with all State and Federal guidelines including, but not limited to the Federal Food Program Policies and NYSED Regents Rule 19.6 regarding the solicitation of students for charitable donations.
3. Ensure all cash activities within his/her school/department are in compliance with all District policies and procedures including, but not limited to: the District's Cash Handling Procedures (Exhibit 1), RCSD SAF/EAA Procedures and Reference Guide, and the District's Wellness Policy.

4. Ensure the safe combination is safeguarded and maintained by 2 staff members and is immediately changed upon status change of either of the 2 staff members.
5. In the event of missing funds, immediately secure a police report and ensure notification of parties identified in the District's Cash Handling Procedures.
6. Ensure the "Cash Handling - Responsibility and Acknowledgement Form" is submitted annually and updated upon staff change(s) and emailed to the Central Office Accounting department promptly.
7. Provide written approval (email) to District staff for each cash collection activity within his/her school building each year and when staff changes occur.

C. School Secretary and Administrator Responsibilities

1. Ensure the safe is kept locked at all times, when not actively in use.
2. Safeguard the combination of the safe.
3. Safeguard cash by following all guidelines established in the "District's Cash Handling Procedures" (Exhibit 1).
4. Notify principal/department head of any non-compliance issues pertaining to cash handling regulations or procedures.

D. District Staff Responsibilities

1. Obtain principal/department head written approval for any cash transaction/collection activities prior to commencement of such activity.
2. Safeguard cash by following all guidelines established in the "District's Cash Handling Procedures" (Exhibit 1).
3. Reconcile cash and remaining inventory balance to sales.
4. Notify principal/department head of any non-compliance issues pertaining to cash handling regulations or procedures.

E. Central Office Finance Department Responsibilities

1. Distribute, collect and maintain file copies of all signed "Cash Handling - Responsibility and Acknowledgement Forms".
2. Provide governance, support and oversight to schools and departments regarding cash activities and safeguarding cash on school property
3. Ensure timely deposit of all District funds received from schools/departments.
4. Reconcile all District and club cash accounts to bank statements to ensure funds are properly accounted for.
5. Coordinate with schools, auditors and security to recommend corrective actions and procedural changes as needed.

F. Department of Safety and Security Responsibilities

1. Monitor incoming requests for cash pick-up and pick up cash at District locations accordingly.
2. Verify that deposit information on the sealed deposit bag is complete and accurate before taking custody of the deposit.
3. Safeguard deposit upon receipt and ensure prompt delivery of deposit to appropriate location for processing.
4. Evaluate incident and police reports and conduct necessary investigations.

III. ASSOCIATED DOCUMENTS

1. District's Cash Handling Procedures (Exhibit 1)
2. Cash Handling – Responsibility and Acknowledgement Form (Exhibit 2)

EXHIBIT 1 – DISTRICT’S CASH HANDLING PROCEDURES

PROCESSING AND CONTROL OF CASH, CHECKS AND OTHER CASH EQUIVALENTS

Various programs/operations throughout the District either regularly or occasionally become responsible for handling cash, checks, and other items of monetary value such as, but not limited to, money orders and admission tickets. These procedures are intended to establish accountability and control over these items. Cash, checks and any other cash equivalents that are collected must be safeguarded in a reasonable and prudent manner to ensure minimal risk of theft.

Purpose

This procedure provides uniform standards which must be followed in the safeguarding and processing of cash or checks. The use of the procedures described in this section should:

1. Provide management assurance that all cash/check transactions conducted on school property are handled in an efficient manner and properly secured at all times.
2. Standardize procedures and improve accuracy.
3. Improve internal control over cash and cash equivalents.

Scope

Cash collections at all school and non-school locations (Central Office departments, the Service Center, and program offices) including, but not limited to the following:

- | | |
|--|-------------------------------------|
| ♦ Instrument Rental | ♦ Facilities Rental |
| ♦ Lost Book/ID/Bus Pass Fees | ♦ Curriculum Programs (WEP) |
| ♦ Tuition Reimbursement | ♦ Sale of Assets/Equipment Auctions |
| ♦ Bid Spec. Deposits | ♦ Food Service Receipts |
| ♦ Gate Receipts & Other sales | ♦ Advanced Placement Fees |
| ♦ Extracurricular (SAF/EAA) Fundraising | ♦ PTA/PTO Fundraising |
| ♦ Classroom collections for any purposes | ♦ Field Trips |

Responsibility for Cash Handling

All cash transactions for the City School District are the responsibility of the collector (whether at a school or other departmental location) until such cash is picked up by the District’s courier. The courier will only collect on an as needed basis, unless direct arrangements are made by emailing the Office of Safety & Security at courier@rcsdk12.org to establish a weekly pick-up time. The school/department must email the Department of Safety & Security to request a pick-up whenever cash receipts exceed \$500. It is the responsibility of each department head/administrator to assign staff responsibility for cash processing and controls to ensure compliance with these procedures within his/her department. A non-District employee (temporary help) *cannot* be responsible for the collection or safeguarding of cash, checks or other cash equivalent items and inventory. In the event of temporary staffing, the department

head is responsible for reassignment to a District employee to assume the cash processing and controls within his/her department.

Safeguarding Cash, Checks and Other Cash Equivalents

Safes –

All cash, checks, and other cash equivalents such as, but not limited to, money orders and admission tickets must be secured at all times in the department/office safe. The department head is responsible for ensuring that the safe combination is safeguarded. Two clerical individuals should have the combination to the safe. The principal is responsible for appointing the two individuals. In the event that the employment status of one or both of these individuals changes, it is the principal/department head's responsibility to ensure that the safe combination is immediately changed by contacting the District's Plant Maintenance/Locksmith Department at 336-4123 within one business day of the employee's last day of employment with the department.

Individuals with the safe combination are responsible for ensuring that the safe is locked at all times. If a theft occurs due to failure to appropriately secure the safe, disciplinary action can result. No personal items or packages of unknown contents will be held for safekeeping. A second person should test the safe lock before leaving the safe unattended overnight.

The "Cash Handling - Responsibility and Acknowledgement Form" is to be submitted to the Central office Finance Department annually and when there are staff changes during the school year.

Locked Boxes, Secondary Safes, and Locked Cabinets/Drawers –

Cash, checks and other cash equivalents should always be stored in the school's central safe, to the extent possible. If circumstances prevent this, a properly controlled locked box (box with a lock and key), secondary safe, locked drawer or locked cabinet should be used to safeguard the cash, checks and cash equivalents until the funds can be deposited into the school's central safe by the end of the school day. If cash is collected after school hours, it should be kept in a one of these aforementioned, secured locations until the funds can be deposited in the school's central safe the following morning. *Cash, checks and other cash equivalents should never be kept in an unsecured location or be taken home.*

Cash Receipt Procedures

When cash or checks are received from any source, they should immediately be verified (counted) in the presence of the person submitting the cash or check. A pre-numbered receipt from a receipt book (item #487622 at Staples) should be completed and issued by the recipient, as verification that funds were received and are being stored in the safe. One copy of the receipt shall be given to the person presenting the cash and another copy retained for the school's records. The item(s) must be placed in a clear, disposable deposit bag (see item numbers below), sealed and initialed, and properly secured in the safe until courier pick-up.

If the funds cannot be counted at the time of submission, the deposit should be labeled "unaudited" and secured in the safe until the funds can be counted in the presence of both parties. At a minimum, all funds must be counted under dual control. This should occur within 24 hours. A pre-numbered receipt from a receipt book (item #487622 at Staples) or tear-off, disposable deposit bag receipt (item #609146 - 9" x 12" or item #810746 - 12" x 16" at Staples) should still be completed and issued by the recipient, as verification that the unaudited funds were received by the office.

Never erase or alter a receipt. If an error occurs, "VOID" the receipt and prepare another one. Voided receipts should be left in the receipt book and not discarded. The receipt book should be kept in a secured location at all times when not in use.

All checks received by mail or in person should immediately be restrictively endorsed "For Deposit Only."

Bank Deposit Procedures

The contents of the department/school's central safe must be deposited on a *weekly* basis, regardless of amount. All Central Office departments should make their deposits at the Accounting department located on CO – 1. All other school and administrative buildings should make their deposits with the District's courier. *District personnel should never make bank deposits on behalf of the District or SAF/EAA clubs, nor should deposits or checks be sent through interoffice mail.*

- ♦ A properly completed *RCSD Deposit Slip* (available on SharePoint) must accompany the deposit for all District related funds; please refer to the *SAF/EAA Procedures and Guidelines* (available on SharePoint) for extracurricular club fund deposits.
- ♦ You must use clear, plastic, tamper evident disposable deposit bags with a tear-off, disposable deposit bag receipt (item #609146 - 9" x 12" small or item #810746 - 12" x 16" large at Staples) for all deposits (District or SAF/EAA).
- ♦ Fill out the information on the outside on the deposit bag as follows:
 - i. **To:** "Cashier, Accounting Department CO-1" (for District Funds) OR "Brinks" (for SAF/EAA funds or Food Service/lunch funds)
 - ii. **From:** <School Name>
 - iii. **Prepared By:** <Depositors Name>
 - iv. **Date:** <Date Deposit is Prepared>
 - v. **Declared Amount:** <\$ Amount of Deposit>
- ♦ Place the funds and the deposit slip in the bag and seal the bag. *All information noted above must be completed and the face of the deposit slip must be viewable by the courier through the bag, or the deposit will be rejected by the courier.*

Courier Pick-Up Procedures

Deposits will be picked up by the District's courier (Department of Safety & Security) on Fridays, unless it is a holiday, in which case the pick-up day will be the day prior. In any scenario, schools are responsible for contacting the Department of Safety & Security for a pick-up by 4 p.m. on the day prior by emailing courier@rcsdk12.org. If at any time, \$500 or more in cash deposits are in the department/school's safe, the school or department should contact the District's Department of Safety & Security for an out of cycle pick up. Funds should never be submitted through inter-office mail to the Accounting Department, CO-1, nor should District employees make deposits at the bank. Schools with a consistent amount of cash receipts should schedule an automatic weekly pickup with the Department of Safety & Security.

Returned Checks (NSF) Procedures

The Accounting Office shall forward all returned checks to the department/school which made the original deposit. It is the responsibility of each department/school to follow up on these items and attempt collection.

Cash Payments

Any cash transactions conducted on school property, with the exception of Booster Clubs or PTAs, is either the property of the District or the District as agent (i.e. SAF/EAA, Trusts, etc.). Under no circumstances should cash be collected and disbursed prior to being recorded through a bank deposit. All disbursements must be made by either check or PCard and in accordance with the appropriate District or Extra-curricular Club (SAF/EAA) Fund procedures. Any “off – the – books” activity is strictly prohibited and can be subject to disciplinary action.

Prepayments

Any prepayment to the school for future use or purchase, or prepayment from the school to a vendor must be accompanied with documentation, such as an order form showing itemized name of payee, date of usage, and monetary and quantity balances for used and unused items. Prepayments associated with inventory must include documentation for items purchased, received, sold and or returned. All inventories must be secured and conform to applicable district procedures. Inventory sold must be reconciled to cash received and profit and loss statements maintained.

Missing Funds

In the instance of missing funds, a police report is to be immediately initiated. A copy of the police report number (#) or the actual police report must be provided to the following individuals within 1 business day of the incident: Chief, Director of Safety & Security, Office of Auditor General, and Director of Accounting. Failure to adhere to the District’s guidelines for cash handling can result in missing funds. Any missing funds resulting from non-compliance with the District’s Cash Handling Procedures and/or the Superintendent’s Regulation “Cash Collections in District Buildings” can result in disciplinary action.

PTAs/PTOs and Other Outside Organizations

PTAs/PTOs, “Friends of...”, “Sunshine Clubs”, “Booster Clubs”, etc. are separate legal entities from the District with their own unique EIN number and a separate bank account. However, during the course of operations these organizations may conduct fundraising for the benefit of the students in school buildings. As such, these organizations should adhere to the guidelines for fundraising on school property contained in the “Superintendent’s Regulation for Cash Collections on District Property”, as well as the guidelines for safeguarding funds contained within this document.

Specifically, funds should be kept secured in a locked bank bag or lock-box until they can be given to the office administrator for placement in the safe. Funds should be deposited with the bank immediately when the amount reaches \$500; if under \$500 the funds should be deposited by the end of the week in which they are placed in the safe. It is the PTAs/PTOs (or other outside organization’s) responsibility to ensure that their funds are picked up from the office safe in the proper timeframe and deposited directly to their bank. PTAs/PTOs should not utilize the District’s courier service when making bank deposits.

Additional information on the establishment and guidelines for PTAs/PTOs can be found at: http://www.nyspta.org/AboutPTA/AboutPTA_Regions.cfm or geneseevalleyrd@nyspta.org

Bank Reconciliation Procedures

Bank reconciliations shall be prepared by an Accounting staff member and reviewed by an Accounting staff Supervisor or Director by last day of the subsequent month following the reconciliation period (i.e. bank reconciliations for the month ended May 31st shall be prepared and reviewed by June 30th).

Records Retention Procedures

All documentation referred to in this section shall be maintained on file at the school or department for 7 years in accordance with the District's financial record retention policies – [Records Retention and Disposition Schedule ED-1](#).

**ROCHESTER CITY SCHOOL DISTRICT
CASH HANDLING -
RESPONSIBILITY AND ACKNOWLEDGEMENT FORM**

This form is to be completed and signed by the principal/department head and both clerical individuals in possession of the safe combination. This form is to be updated annually and immediately upon employment status change of any of these 3 individuals during the school year. Submit form to robert.kwiecien@rcsdk12.org in the Central Office Accounting department.

School/Department Name: _____

REQUIRED APPROVAL SIGNATURES

By signing below, I affirm that I have read and understand the Superintendent's Regulation regarding Cash Collections on District Property as well as the District's Cash Handling Procedures and agree to abide by the policies and conduct described therein. Furthermore, I understand that failure to adhere to these regulations and procedures may result in disciplinary action.

Principal
(Printed)

Principal
(Signature)

Date

Clerical Staff #1 w/Safe Combination
(Printed)

Clerical Staff #1 w/Safe Combination
(Signature)

Date

Clerical Staff #2 w/Safe Combination
(Printed)

Clerical Staff #2 w/Safe Combination
(Signature)

Date

*Please email completed form to robert.kwiecien@rcsdk12.org in the Central Office Accounting department
School/department keeps original form on file*