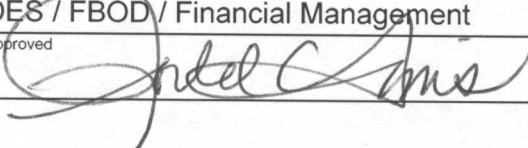




Title Cash Handling and Receipting Procedures	Document Code No. FIN 15 – 3 (AEP)
Department/Issuing Agency DES / FBOD / Financial Management	Effective Date. DATE SIGNED 8-21-04
Approved 	

- 1.0 **SUBJECT TITLE:** Cash Handling and Receipting Procedures
 - 1.1 **EFFECTIVE DATE:** 10 Days after Executive approval.
 - 1.2 **TYPE OF ACTION:** NEW. Implements cash handling and receipting procedures for King County.
 - 1.3 **KEY WORDS:** (1) Administrative Policies and Procedures, (2) Cash, (3) Cash Handling, (4) Receipting, (5) Deposits, (6) Safeguard County Funds.
- 2.0 **PURPOSE:** To establish uniform procedures for cash handling and receipting at the County level.
- 3.0 **ORGANIZATIONS AFFECTED:** All King County Executive Departments, Offices, and Agencies.
- 4.0 **REFERENCES:**
 - 4.1 RCW 36.29.010, General Duties, County Treasurer
 - 4.2 RCW 43.09.185, Loss of Public Funds
 - 4.3 RCW 43.09.240, Public Officers & Employees, Duty to Account and Report Deposits
 - 4.4 RCW 40.14, Preservation and Destruction of Public Records
- 5.0 **DEFINITIONS:** "Funds" and "Receipts" mean currency, coin, check, money orders, etc.
- 6.0 **POLICIES:** It is the policy that all King County departments, offices, and agencies establish and maintain cash handling and receipting procedures for the purpose of:
 - Determining accountability over receipt of public funds.
 - Supporting an internal control environment for all departments, offices, and agencies.
 - Ensuring effective safeguards are in place.
 - Ensuring appropriate cash handling and receipting goals are met, and state and King County code regulations are followed.
 - Establishing guidelines that ensure the integrity of compliance with King County business and financial reporting.
 - Ensuring appropriate action is taken when discrepancies or audit findings are identified.
 - Informing top management of critical cash issues that cross department lines and have broad impacts.

7.0 PROCEDURES: Action by Managers, Supervisors, or Fund Administrators.

7.1 Memo **Guidelines**

In order to protect County employees and safeguard County funds, Managers and Administrators should develop specific processes based on the following guidelines:

Basic Process —

- Receive funds, verify amounts, and verify that funds belong to the department.
- Any funds received must be deposited within 24 hours (RCW 36.29.010 and RCW 43.09.240). Note: Under certain circumstances a waiver may be obtained from the King County Finance Director.
- Restrictively endorse checks.
- Issue receipt, if appropriate.
- If log sheets are used, record funds in duplicate.
- Prepare deposit slip in duplicate. (1 copies for bank, 1 copy for agency records).
- Forward deposits to the bank daily.
- Reconcile deposits to bank statements and County fund accounts.
- Record journal over/shorts, deposit adjustments, losses, etc. in a timely manner.

Receipting —

- Cash/checks/coin should be recorded in a sequential number format. Each transaction should be logged in duplicate if using a receipt journal, or recorded in a point of sale system. Official King County receipts will be used (no "Redi-Forms").
- Offsite collections should be handled similarly to onsite collections.
- Any department/entity having accounts with collections must first verify if the customer is to pay the collection agency directly. Payment in full is required.
- Receipts should specify 'King County' and the appropriate department/agency name, and telephone number. Receipts are to be signed and dated by a County employee.
- Receipts will indicate mode of payment (cash, check, etc.).
- Receipts will include dollar amounts paid.
- Receipts will be legible.
- Void documents should be marked VOID and all parts saved in numerical sequence.
- Missing documents must be accounted for.
- Funds received that are not identifiable as belonging to your department should be reported directly to Accounts Receivable (**Admin. Building, Room 620**), or via e-mail (**Attention: Accounts Receivable Supervisor**).

Do not send funds through interoffice mail.

Deposits —

- Whenever possible, mail should be opened by two persons.
- Automated scanning devices may be used in place of one person.
- Bank deposits should be made by someone other than the cashier or bookkeeper.
- Responsible persons should be regular FTE employees (not volunteers or light duty).
- Employees should be properly trained; records of such training must be kept onsite.
- Whenever possible, receipts are to be received through a lockbox.
- Deposits are to be made only to authorized/approved bank accounts.

- Use tamper-proof bags.

Documents:

- Deposit logs should be in duplicate.
- Deposit tickets should be preprinted with agency/department's name and account number.
- Deposit tickets should be in duplicate.

Timeliness —

- Incoming cash (including currency, coins, checks) and equivalents must be deposited within 24 hours (RCW 36.29.010).
- If currency is received in the mail, count and verify the amount.
- Currency should be examined for legitimacy; counterfeits are not to be deposited.
- Remittances by mail are to be listed (using the deposit log) at the time the mail is opened.
- Upon receipt, checks should be restrictively endorsed "For Deposit Only."
- Do not accept foreign remittance tenders (currency and checks should be in US dollars; checks must be drawn on a US bank).
- Cash/checks should NOT be forwarded to another department via interoffice mail.
- Cashiers should not cash personal checks.

Safeguarding and Security Access —

- Funds should be held in a safe during the day.
- Unless absolutely necessary, cash receipts should not be held overnight. Deposits held overnight should be in a secure locked safe.
- A secure area for a safe must be provided/designated.
- Access to the secured area should be restricted.
- Secure area should be protected by the use of registers, safes, or locks (not a desk drawer).
- A limited number of keys, password locks, or safe combinations shall be issued and monitored by a designated Supervisor or Manager.
- The keys, password lock, or safe combination should be changed periodically and/or when employees leave. Supervisor or Manager will have the authority and control to do so.
- The secured area is to be locked when not occupied.

Reconciliation —

Over/short

- Shortages or overages should be investigated and corrected to the maximum extent possible, and signed off by the supervisor or authorized personnel.
- No personal funds or "slush" funds should be used to correct over/shorts.
- Any counterfeit currency identified by bank should be recorded as a shortage.

