

DeSoto Independent School District

Cash Handling Procedures



©DeSoto ISD
200 East Belt Line Road
Phone 972-223-6666 * Fax 972-274-1269

UPDATED AUGUST 2019

THIS PAGE LEFT BLANK INTENTIONALLY

Table of Contents

SECTION 1: CASH HANDLING.....	7
CASH COLLECTION PROCEDURES:.....	7
CASH DEPOSITING PROCEDURES:.....	8
SECTION 2: RESPONSIBILITY.....	10
THEFT AND TAMPERING:.....	10
INTERNAL CONTROL:.....	10
POSSIBLE RED FLAGS:.....	11
SECTION 3: DONATIONS.....	12
EXAMPLE 1 – CASH RECEIPTS.....	13
STANDARD RECEIPT BOOK LOG SHEET.....	15

THIS PAGE LEFT BLANK INTENTIONALLY

PREFACE

This manual is designed to provide a set of standardized guidelines and procedures for the administration of the DeSoto Independent School District Cash Receipts.

School personnel are placed in a position of extraordinary trust by parents and students when funds are placed in their care. Adequate measures to control these funds will assure parents and students that the funds are handled properly. It is for the purpose of providing this assurance and protection that fund procedures have been established. Strict adherence to control procedures is for the protection of all individuals who work with public funds.

This manual supersedes all prior publications regarding the administration of Cash Handling Procedures, and assumes that all accounting functions are centralized at the district level and are administered in compliance with Generally Accepted Accounting Procedures and TEA guidelines.

THIS PAGE LEFT BLANK INTENTIONALLY

SECTION 1: CASH HANDLING

ALL District Employees handling funds on behalf of DeSoto ISD will be required to attend a mandatory annual training session. These training sessions may be held at the campus with appropriate documentation of content and attendance.

Employees of the District shall not serve in a financial capacity of a booster or other parent organization. Financial capacity includes holding positions as treasurer, fund raising chairperson, or serving as a check signer.

The district will not provide check cashing services to employees, students, or community patrons.

CASH COLLECTION PROCEDURES:

- All funds collected on behalf of DeSoto ISD will adhere to all board policies referring to the collection of money.
- At least 2 people should be assigned the handling of activity funds: one for collecting/receipting; the other for preparing and making deposits.
- Count and verify the cash received while in the presence of the person presenting the cash.
- Checks written to schools should be for the amount of purchase only.
- Postdated checks are not to be accepted. Checks are not to be held.
- Checks should be restrictively endorsed with the activity fund account number and “For Deposit Only” immediately upon receipt.
- Only authorized receipt books ordered and checked out through the Finance Department are acceptable for use.
- Completed receipt books will be returned to the Finance Department and checked in prior to new receipt books being issued.
- All receipt books, whether or not completed, will be checked in to the Finance Department at the end of the fiscal year (June 30).

- A receipt must be completed for all collections at the time of collection. (See Example 1 of completed receipt)
- The original (white copy) will be given to the person presenting the money.
- The first copy (yellow copy) must be presented to the campus secretary/bookkeeper for verification of deposit.
- The final copy (pink copy) shall stay intact in the receipt book and on file in the Finance office for a period of at least 5 years.
- If it is necessary to void a receipt, put “VOID” on the receipt along with the receipt number which replaces the voided receipt. Voided receipts must be reattached to receipt book.
- If it is necessary to void a receipt and there is no replacement receipt, an explanation should be written on the receipt marked “VOID”. Voided receipts must be reattached to receipt book.
- Being out of authorized receipt books is not an acceptable reason for noncompliance with collection procedures.

CASH DEPOSITING PROCEDURES:

- Cash shall be presented in the form collected to the campus secretary/bookkeeper along with yellow copies from receipt book.
- Cash shall be counted by collector in the presence of the sponsor at the time of collection.
- An original (white) receipt shall be written immediately and given to the sponsor.
- Deposits are to be put into a deposit bag and kept in a locked, secure place until custody is transferred to the district courier.
- Receipt numbers or range of numbers must be listed on the front of each deposit ticket.
- Receipt first copy (yellow) must be sent interoffice mail to the finance clerk to match with deposit ticket.
- The final copy (pink copy) shall stay intact in the receipt book and on file in the Finance office for a period of at least 5 years.

- If it is necessary to void a receipt, put “VOID” on the receipt along with the receipt number which replaces the voided receipt. Voided receipts must be reattached to receipt book.
- If it is necessary to void a receipt and there is no replacement receipt, an explanation should be written on the receipt marked “VOID”. Voided receipts must be reattached to receipt book.
- **Deposits are to be made on a daily basis in most cases. There is NO reason for cash deposits to be unsecured.**
- Pre-printed and pre-numbered deposits slips are to be used.
- Any discrepancies found at any step in the process should be reported to the principal for immediate investigation and resolution.
- Daily Deposit Summary Forms should be emailed daily to the finance clerk. Please allow 48 hours for verification and entry of deposit into campus accounts.
- Being out of authorized receipt books, deposit tickets or deposit bags is not an acceptable reason for noncompliance with collection and deposit procedures.

SECTION 2: RESPONSIBILITY

The **school principal** is responsible for the proper collection, disbursement and control of all activity fund monies. This responsibility includes:

1. Proper training, verification of training, and supervision of all personnel designated to collecting or administer funds on behalf of DeSoto ISD.
2. Providing a secure location and insuring safekeeping of monies.
3. Delegation and assignment of activity fund tasks in no way reduces the responsibility of the principal.

The principal is not responsible for funds collected, disbursed and controlled by parent or booster organizations. **These parent and booster organizations funds are not to be accounted for in the school's Activity Funds.** These organizations may have neither any influence over the school's Activity Funds, nor may they commingle funds with the activity funds. They must not be associated in any way in a fiduciary capacity with the school or the district. This includes the use of District Tax Exempt Status or Federal Tax Identification Number.

THEFT AND TAMPERING

District employees are considered to be public servants and are subject to Title VIII of the Penal Code regarding offenses against public administration.

The designation of public servant increases an offense of theft, for purpose of punishment, to the next higher category of offense if at trial it is established that the actor was a public servant at the time of the offense and the property appropriated came into actor's custody, possession or control by virtue of this status (Section 31.01, Texas Penal Code).

All records and documents of the District are considered to be governmental records and the intentional destruction, concealment, removal or other impairment or a governmental record which renders the record untrue, illegible or unavailable is an offense. (Section 37.10, Texas Penal Code).

Tampering with governmental records is considered a felony of the third degree if it is shown at trial that the governmental record was a public school record, report or assessment instrument required under Chapter 39, Education Code.

INTERNAL CONTROL:

- If at all possible have 3 people assigned to cash collection and depositing tasks: Collecting/Receipting; Depositing; Verification. If only 2 people are assigned, combine the first and third tasks for better segregation of duties.
- Train assistant principal in cash processing in the event of absences.

- Require appropriate staff to provide documentation with reasonable explanation of any deposit error/discrepancy that occurred on the school's side.
- Ask appropriate staff for an explanation of anything that isn't what you expect or as you remember it.
- If you are controlling receipt books on your campus, issue only one at a time to your office or any organization.
- Before issuing a new receipt book require that the book be returned and check to make sure that it has been completely used and all copies are intact.
- Keep a log of receipt books and deposit ticket books in your office showing date and to who it is issued.
- Keep a log of ongoing cash collecting events and review transaction listings for collections that would be expected during that time.
- Deposits should only be made by persons authorized by, and under the direct supervision of the principal. All deposits should be verified before and after the actual deposit.
- Never allow cash, checks, or records to be taken home for any reason.
- Conduct spot checks of receipt books & deposit ticket books to ensure books are being maintained and utilized according to established procedures.
- Don't be put off with excuses.
- Investigate ALL reports of possible mismanagement, mishandling, or fraud involving cash collections or deposits.
- Don't feel bad about requesting proof; this is your responsibility; explain procedures, but still require the documentation you need to feel comfortable that the tasks are being performed adequately, timely, and in compliance.

POSSIBLE RED FLAGS:

- Deposits not being made on a timely basis (Daily)
- Continuous Fund Raising Activities being performed with no deposits or check requests.
- Irregular deposits (Large amounts infrequently)
- Receipt books are missing

- Receipt copies (Pink) have been torn out
- Voided receipts for which there is no replacement or explanation noted
- Frequent voided receipts
- Receipt books are not being completed or are not being completed in sequence, either date or number.
- New receipt books are not being requested
- Notice from bank of deposit error/discrepancy
- Total collections for a specified span of receipts does not agree with the total deposits for the span of receipts shown on the deposit ticket
- No collections/deposits from organizations with ongoing fundraisers
- Receipt of past due invoices
- Negative balance in organizations fund

SECTION 3: DONATIONS

If you plan to solicit donations you must complete a Fundraising Request form and submit the form to your campus administrator. **Approval is required before you solicit donations.**

Donations are gifts or contributions to an organization. Donations can be given to a specific student group, a campus, or to the district at large. All donations cash or non-cash (no exceptions) must be brought to the attention of the Financial Services Department as soon as possible. Note: "Gift Cards" given to the district are cash donations and must be treated as such. Gift cards/certificates donated to the district are considered taxable income by the IRS, and there is no minimum value threshold per the IRS de minimis benefit definition.

The donor should complete the "Donation Acknowledgement" form. This form should accompany any check or cash to the Financial Services Department. Donations with a value of \$5,000 or more (cash or non-cash) must be presented to the School Board for approval and/or review. This amount can be viewed as an accumulation over the year that meets or exceeds the \$5,000 threshold. Donation requests will be assessed as to the appropriateness and value prior to acceptance.

EXAMPLE 1 – CASH RECEIPTS

White – Person Remitting
 Yellow – Business Office
 Pink – Bookkeeper

Official Cash Receipt
 DeSOTO INDEPENDENT SCHOOL DISTRICT

No. 121047

Date 6.30 2015

RECEIVED FROM JOE PARENT \$ 150.00

AMOUNT ONE HUNDRED FIFTY & 00/100

FOR FESTIVAL

ACCOUNT NAME FESTIVAL ACTIVITY

ACCOUNT NUMBER 461.36.6499.99.XXX.XX.X

ACCOUNT		HOW PAID	
AMT OF ACCOUNT		CASH	150 00
AMOUNT PAID		CHECK	
BALANCE DUE		MONEY ORDER	

John Sponsor
 Received by Signature

MIDDLE SCHOOL
 Campus Name

White – Person Remitting
 Yellow – Business Office
 Pink – Bookkeeper

Official Cash Receipt
 DeSOTO INDEPENDENT SCHOOL DISTRICT

No. 121046

Date 6.30 2015

RECEIVED FROM JACK STUDENT \$ 75.00

AMOUNT SEVENTY-FIVE & 00/100

FOR _____

ACCOUNT NAME * NOT REISSUED -

ACCOUNT NUMBER STUDENT CHANGED HIS MIND.

ACCOUNT		HOW PAID	
AMT OF ACCOUNT		CASH	
AMOUNT PAID		CHECK	
BALANCE DUE		MONEY ORDER	

Received by Signature [Signature]

Campus Name _____

White – Person Remitting
 Yellow – Business Office
 Pink – Bookkeeper

Official Cash Receipt
 DeSOTO INDEPENDENT SCHOOL DISTRICT

No. 121045

Date 6.30 2015

RECEIVED FROM Sally Student \$ 150.00

AMOUNT One hundred Dollars

FOR WRONG AMOUNT

ACCOUNT NAME REISSUE #121046

ACCOUNT NUMBER [Signature]

ACCOUNT		HOW PAID	
AMT OF ACCOUNT		CASH	
AMOUNT PAID		CHECK	
BALANCE DUE		MONEY ORDER	

Received by Signature _____

Campus Name _____

THIS PAGE LEFT BLANK INTENTIONALLY

