

Procedures for Cash Handling

The following procedures are to be followed by all Park District staff that are part of the cash handling chain for the agency.

Cash Handling

Separation of Duties

Cash handling responsibilities should be designed in a way that balances the need for segregation of duties with the Park District's limited staff and financial resources. Whenever possible, the Park District will require duties to be segregated so as to avoid having the same individual who collects or handles cash also be responsible for the reconciliation and depositing of cash.

Additionally, those individuals who are responsible for payment of staff and vendors must not also have the ability to approve any payments and vice versa. The Park District will strive to best separate these and other types of duties to different employees as long as it is financially and operationally feasible.

Cash Handling System Procedures

All Park District locations that handle cash or equivalents including but not limited to cash, coins, checks, credit cards, money orders, etc. must abide by the following procedures.

- Each morning before operations begin at the location, two (2) individuals will count the banks. A log will be kept at each location to show who counted the banks each morning.
- After the amounts are verified, the banks will be distributed to staff prior to the start of their shift.
- At the end of an employee's shift, they will be responsible for counting their drawer by separating out the amount of the bank they originally received and then counting the remaining money. This amount must be verified against the end of day cash batch for each employee.
- The employee as well as a supervisor must then sign off on the cash batch before that employee clocks out for the day. Any discrepancies must be documented and explained.
- The batch and the cash and check envelopes must be put in the drop safe.
- Any adjusting entries are handled by management the next morning. After verifying all the batches, the batches must be brought over daily to John Hedges Administrative Center for reconciliation and depositing at the bank.

Cash Reconciliation Process

On a daily basis, the Finance Manager pulls up all daily receipts from the drawer up front at the John Hedges Administrative Center. The Finance Manager matches all envelopes with the RecTrac batches and forwards the check envelopes with a balancing sheet to Customer Service staff to scan the checks into the remote scanner. The cash envelopes are put on a balancing sheet and put into a safe for counting when the amount collected grows to a pre-specified amount. Once this amount is reached, the Finance Manager forwards the cash envelopes and balancing sheet to the Accounts Payable Clerk to count and verify. Any discrepancies are reported to the Director of Finance immediately. Once counted, the cash bag is given to the Director of Finance for depositing in the bank.

Financial Statement Preparation

Monthly financial statements are to be completed no later than the middle of following month. The Finance Manager is responsible for the preparation of the financial statements. These statements include cash and investment summary, revenue and expense report, and a subclass report. As part of this process, the Finance Manager will review bank statements and complete a bank reconciliation to ensure there are no unknown transactions on the bank statements or the Park District's balance sheet. After completion of the financial statements, the Director of Finance and the Executive Director review them to ensure accuracy. The financial reports are presented to the board at each month's Board Meeting and included in their board packet. On a yearly basis, the Park District's auditors present the annual financial report to the Board.

Conducting of Internal Audits

On a regular, but not defined basis, the Accounts Payable Assistant will go to a point of sale location to do an internal audit of a cash drawer. The Assistant will provide the employee with proper identification (photo ID) and ask to count the drawer. The employee will batch out and the Assistant will count the drawer. Once their count is complete, the Assistant will also have the employee count to verify the amount. If the amounts match the batch, the Assistant will report back as such. If there is a discrepancy, it is to be reported to the Director of Finance for investigation and the employee is to receive a reprimand from their immediate supervisor. If continued issues are found on further investigations, discipline will escalate. All Park District locations are to be reviewed at least once per year.

Positions Authorized to Receive Funds

The following positions are allowed to receive funds to be deposited:

- Customer Service Representatives
- Customer Service Coordinator
- Customer Service Manager
- Finance Manager (only for coding purposes and not to process)

Positions Authorized to Disburse

The following positions are allowed to disburse funds to be deposited:

- Executive Director
- Director of Finance
- Finance Manager
- Accounts Payable Assistant (with proper authority given from three above)
- Payroll Assistant (with proper authority from the first three positions)