



# Cash Receipts

## Scope of Cash Receipts and Expenditures Policies—

These policies, guidelines, and procedures are applicable without exception to all funds owned or administered by the District. This policy applies to all district administration, licensed educators, staff, students, organizations, and individuals that handle cash receipts or accept payment in any form on behalf of the District or individual school or initiate, authorize, or process cash disbursements on behalf of the District or individual school. The scope includes all activities at the District and individual schools and in all locations where district activities and public funds are collected or expended. All expenditures of the District are to be consistent with applicable state and federal laws and regulations; any restrictions, rules, or regulations placed on the use of the funds by donors and granting agencies; and prudent management practices. It is expected that in all dealings, district employees will act in an ethical manner that is consistent with the district's code of ethics, the Utah Educators' Standards, the Public Officers' and Employees' Ethics Act, and State procurement law.

[Utah Admin. Rules R277-113-5\(9\)\(c\) \(November 18, 2021\)](#)

## Definitions

"Public funds" means 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 school districts or other public bodies, including all monies received through donations, gifts, or sponsorships.

[Utah Code § 51-7-3\(26\) \(2017\)](#)

## Policy

The District and district staff shall comply with all applicable state and federal laws and district policies and procedures for the handling of cash receipts.

Appropriate internal controls and segregation of duties among different individuals shall be implemented for collecting funds, maintaining documentation, preparing deposits, and reconciling records wherever possible.

When segregation of duties is not possible due to the small size and limited staffing of the District or individual school, compensating controls such as management supervision and review of cash receipting records by independent parties shall be implemented.

The Business Administrator must approve all checking, savings, and charge accounts used in District or individual school business.

## District Level Cash Receipts

District employees shall not open bank accounts or charge accounts, outside of the control of the District, for the receipting or expending of public funds associated with district-sponsored activities.



## Receipting and Collecting Funds

- All receipting of funds should be done in an approved location and secured at all times
- All funds must be recorded in the district's accounting records, including the receipt book, and cash receipt log
- Passwords should be established on the accounting system computers and changed periodically
- Appropriate internal controls and segregation of duties should be implemented for all cash activity, including: tickets, uniquely identifiable numbered receipts, deposit slips, cash tally sheets, receipt registers, lists, cash reconciliations, reports, etc.
- Cash should always be verified; if verification is difficult, two individuals should count the cash
- Mail will be opened by an individual independent of the cash receipt process and funds received will be documented in a cash receipts log
- All funds (cash, checks, credit cards, etc.) should be immediately receipted, customers should be provided with a uniquely identifiable numbered receipt, and a duplicate copy should be retained in the daily receipt or register detail
- All cash and checks received in person must be receipted with a uniquely identifiable numbered receipt for each transaction
- All checks should be made payable to the LCSD or individual school, and restrictively endorsed upon receipt
- Checks should not be made payable to an employee, a specific department, or a program
- If the employee assigned to make deposits has left for the day, or funds are receipted on weekends, money will be placed in a designated lock box until the next business day
- Cash receipts shall not be taken home by employees, volunteers, or left in unsecured offices
- Cash count sheets will be used for cash receipts from after hours or off-site activities.
- Cash sheets will be completed by two individuals, signed by a member of administration on the day of the collection, and retained for verification in the daily receipt or register detail
- All payments of fees shall correspond with the Board approved fee schedule
- All activities involving cash must be supervised by district staff or an authorized volunteer to ensure adequate controls are in place
- Training should be given to those involved in handling cash.
- Funds may be receipted through the Logan Schools Foundation in accordance with the Foundation's cash receipts policy. (Please refer to Fundraising and Donations Policies GF and GFA.)

## Bank Deposits

Funds received shall be recorded in the district's accounting records.

- A daily deposit report shall be printed; reconciled to the actual deposit, the receipt book, and cash receipt log; and retained for verification by administration along with the copy of the deposit slip in the daily receipt or register detail
- All funds shall be kept in a secure location until they can be deposited in a district approved fiduciary institution
- Funds must be deposited daily or within three days after receipt, in compliance with state law, in a district approved account
- An employee independent of the cash receipting process shall verify that the daily deposit detail reconciles to the validated deposit slip

[Utah Code § 51-4-2\(2\)\(a\)](#)

[Utah Admin. Rules R277-113-5\(9\)\(c\)\(ii\) \(November 18, 2021\)](#)



## **Reconciliation, Documentation, and Review**

- Bank reconciliation(s) should be performed monthly on all district approved accounts
- Bank statements and bank reconciliations should be reviewed and approved by administration
- The Board or audit committee should monthly review and approve the bank statements, the bank reconciliations, and monthly journal entries
- Documentation should be available, and should demonstrate that proper cash controls are in place (signatures for approval, tally sheets, reconciliations, etc.)
- Under no circumstances are disbursements to be made directly from cash receipts (i.e., for purchases, reimbursements, refunds, or to cash personal checks)
- Periodic and unscheduled audits or reviews should be performed for all cash activity
- Detailed activity budget vs. actual statements should be reviewed by program directors, on a quarterly basis for accuracy and reasonableness

## **School Level Cash Receipts**

District employees shall not open bank accounts or charge accounts, outside of the control of the District, for the receipting or expending of public funds associated with district-sponsored activities.

## **Receipting and Collecting Funds**

1. All receipting of funds should be done in an approved location through the financial secretary and secured at all times.
  - a. No receipting should take place in the classroom or in unapproved off-site locations.
  - b. Employees should instruct payers to take all cash, checks, and credit card transactions to the front office for receipt or the cafeteria for meal payments.
  - c. Provisions should be made for cash receipting/collection at approved activities or functions.
2. All funds should be recorded by student name, if possible, in the school's accounting records.
  - a. A uniquely identifiable numbered receipt will be generated for each transaction.
  - b. Passwords should be established on the accounting system computers and changed periodically.
3. Appropriate internal controls and segregation of duties should be implemented for all cash activity, including: tickets, uniquely identifiable numbered receipts, deposit slips, cash tally sheets, receipt registers, lists, cash reconciliations, reports, etc.
  - a. Cash should always be verified; if verification is difficult, two individuals should count the cash.
  - b. Mail will be opened by an individual independent of the cash receipt process and funds received will be documented in a cash receipts log.
  - c. All checks should be made payable to the LCSD or individual school and restrictively endorsed upon receipt.
  - d. Checks should not be made payable to an employee, a specific department, or a program.
4. If the financial secretary has left for the day or funds are receipted on weekends, money will be placed in the school lock box until the next business
  - a. Cash receipts shall not be taken home by employees, volunteers, or left in offices.
  - b. Employees should never hold funds in unapproved locations for any reason.
  - c. Cash count sheets will be used for cash receipts at games and other pre-approved school-sponsored activities.
  - d. Count sheet will be completed by two individuals, signed by a member of administration on the day of the collection, and retained for verification in the daily receipt or register detail



5. All payments of fees shall correspond with the board approved fee schedule.  
[Administrative Rule R277-407](#)
6. 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
7. Funds may be receipted through the Logan Schools Foundation in accordance with the Foundation's cash receipts policy. (Please refer to the Fundraising Policy #271.)

### **Bank Deposits**

1. All funds received shall be recorded in a school's accounting records.
  - a. A daily deposit report shall be printed; reconciled to the actual deposit, the receipt book, and cash receipt log; and retained for verification by administration along with the copy of the deposit slip in the daily receipt or register detail.
2. All funds shall be kept in a secure location controlled by approved staff in an approved location until they can be deposited in a district approved fiduciary institution.
3. Funds shall be deposited daily or within three days after receipt, in compliance with state law, in a district approved account.
4. An employee independent of the cash receipting process shall verify that the daily deposit detail reconciles to the validated deposit slip.

[Utah Code § 51-4-2\(2\)\(a\)](#)

### **Reconciliation, Documentation, and Review**

1. Bank reconciliation(s) should be performed monthly on all district approved accounts.
2. Bank statements and bank reconciliations should be reviewed and approved by administration.
3. School administration should quarterly review and approve the bank statements, the bank reconciliations, and monthly journal entries.
4. Documentation should be available, and should demonstrate that proper cash controls are in place (signatures for approval, tally sheets, reconciliations, etc.). Under no circumstances are disbursements to be made directly from cash receipts (i.e., for purchases, reimbursements, refunds, or to cash personal checks).
5. Periodic and unscheduled audits or reviews should be performed for all cash activity.
6. Detailed activity budget vs. actual statements should be reviewed by program directors, coaches, teachers, etc. on a quarterly basis for accuracy and reasonableness.

### **Petty Cash/Change Funds**

1. Petty cash and change funds must be authorized by school administration.
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 the amount designated by the school administration.
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 district 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 school administration.
  - a. Change funds will be included in all tally forms or on deposit count sheets, and accounted for with each use.
7. Funds are subject to unannounced counts by district personnel at any time.