

# CASH RECEIPTS POLICY

## **PURPOSE**

To establish Entheos' policy for the handling of all cash receipts, to include currency, coin, checks, ACH transactions, and credit card transactions.

## **SCOPE**

This policy applies to all Entheos administration, licensed educators, staff, students, organizations, and individuals that handle cash receipts or accept payment in any form on behalf of Entheos. The scope includes all activities at Entheos and in all locations where Entheos activities and public funds are collected.

## **SEGREGATION OF DUTIES**

Wherever possible, duties such as collecting funds, maintaining documentation, preparing deposits and reconciling records should be segregated among different individuals. When segregation of duties is not possible due to the small size and limited staffing of Entheos, compensating controls such as management supervision and review of cash receipting records by independent parties should be implemented.

## **DEFINITION**

“Public funds” are defined as 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 charter schools or other public bodies [Utah Code 51-7-3(26)].

## **POLICY FOR CASH RECEIPTS**

1. The school will comply with all applicable state and federal laws.
2. All receipting of funds at Entheos shall be done at the front office. No receipting is to be done in other locations, such as the classroom. Employees shall instruct payers to take all cash, checks, and credit card transactions to the front office for receipt. When a school event requires the collection of funds off site or the office is closed, the same policies and procedures will be followed at the event.
3. School employees will not open bank accounts, outside of the control of the Entheos, for the receipting or expending of public funds associated with school-sponsored activities. The Board of Directors must approve all checking and savings accounts used at Entheos.
4. All funds shall be kept in a secure location controlled by the front office staff until they can be deposited in Entheos approved fiduciary institution. Funds should be deposited daily or within three days after receipt, in compliance with Utah Code 51-4-2(2) (a). Non front office employees should never hold funds in any location for any reason.
5. If the front office staff has left for the day or funds are receipted on the weekends, administrators should be available to lock cash receipts or cash boxes in Entheos office until the next business day. Cash receipts should not be taken home by employees or volunteers.

6. All checks should be made payable to Entheos Academy. Checks should not be made payable to an employee, a specific department, or a program.
7. Appropriate internal controls and segregation of duties should be implemented for all cash activity. Cash should always be verified. Where verification is difficult, cash should be counted by two individuals.
8. All funds (cash, checks, credit card payments, etc.) received must be receipted and recorded in Entheos' accounting records. All transactions are recorded in the accounting records by the Business Manager who is not allowed to receive deposits.
9. Documents should be available, and should demonstrate that proper cash controls are in place (signatures for approval, tally sheets, reconciliations, etc.).
10. Under no circumstances are disbursements to be made directly from cash receipts (i.e., for purchases, reimbursements, refunds, or to cash personal checks).
11. All payments of fees shall correspond with the approved fee schedule, as required by Board Administrative Rule 277-407.
12. Periodic and unscheduled audits or reviews should be performed for all cash activity.
13. All activities involving cash must be supervised by an Entheos employee or authorized volunteer to ensure adequate controls are in place. Training should be given to those involved in handling cash.

#### **MODEL PETTY CASH/CHANGE FUNDS POLICY**

1. Petty cash and change funds must be authorized by Entheos' front office.
2. All petty cash and change funds will be reflected on the Entheos' accounting records and reconciled monthly.
3. These funds should not exceed the amount designated by Entheos' finance committee.
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 Entheos 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 the executive director.
7. Expenditures should not be paid out of change funds. Change funds will be included in all tally forms or on deposit count sheets, and accounted for with each use.
8. Funds are subject to unannounced counts by Entheos personnel at any time.