



**Series** 1000: Funding and Fiscal Management

**Policy Name** Cash Management

**Policy Number** 1004

**Origination Date:** November 1, 2013

**Revision Date:** March 25, 2019

**Regulation**

Payment of public funds into the Treasury	116.001 F.S.
Internal Control and Review	1001
Cash Collections	1004.1
Mail Receipts	1004.2
Petty Cash	1004.3

**Attachments**

**Policy**

It is the policy of Communities Connected for Kids to promote a proper level of segregation of duties. This procedure outlines the details for establishing in house accounts and the use of an off-site check processing center to initiate all accounts payable items.

**Scope**

It is recognized that the contractual relationship with Key Bank facilitates the majority of check issuances made on behalf of Communities Connected for Kids; however, the necessity for in house account management exist for petty cash purposes, emergency client services, client master trust, welfare, trust and emergency facility needs.

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## Definitions

- a. **Operating Account / Fund:** A demand deposit or interest bearing account or a combination thereof established to receive all revenues due the agency for services rendered or donated to the organization
- b. **Client Trust Fund:** A demand deposit or interest bearing account or a combination thereof established for the purpose of administering SSI or SSA benefits as designated representative payee on behalf of a client of the department.
- c. **Petty Cash Fund:** An authorized in house account used for incidental expenditures that are better made with cash. Petty cash funds are made on immediate basis and should be regularly reconciled to the authorized amount, by the fund custodian.
- d. **Revolving / Emergency Fund:** A demand deposit account used as a means of forwarding funds to allow Communities Connected for Kids to write checks and facilitate fund disbursement activities through their sub-account independently of the outsourced accounting provider. Funds are received in this account only through transfer from the Agency Operating Account / Fund and reconciled monthly to the general ledger.
- e. **Qualified Public Depository:** Any bank or savings bank, savings association, organized and existing under the laws of the United States, the laws of this state or any other state or territory of the United States, that has its principal place of business in this state or had a branch office in this state which is authorized under the laws of this state or of the United States to receive deposits in this state, that meets all of the requirements of Chapter 280, Florida Statutes; Security for Public Deposits, and that has been designated by the State Treasurer as a qualified public depository.
- f. **Account Analysis:** An Account Analysis and/or bank statement for clearing accounts provided monthly by the qualified public depositories which meets the required data elements in accordance with GAAP.

## Establishing In House Accounts

Include the following information when establishing an In House account:

- a. Purpose of the proposed account.
- b. Type of account (checking, savings, etc.).
- c. Source of funds to be deposited in account.
- d. Name and street address of financial institution.



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- e. If the requested financial institution is a qualified public depository or not.
- f. A statement itemizing any service charges quoted or that no service charge will be levied against the account. This information is required for clearing accounts and revolving funds only.

## In House Account Maintenance

- a. The supply of unused checks should be safeguarded by a person who does not sign checks.
- b. All checks should be pre-numbered or computer generated.
- c. All local bank accounts should be properly authorized and be included on an annual list of approved bank accounts submitted to the Board of Directors Finance Committee.
- d. Voided checks should be mutilated to prevent reuse and kept on file for subsequent inspections.
- e. The signing of checks in advance should be prohibited.
- f. Dual signatures should be required if over \$25,000.
- g. The checkbook should not be maintained (i.e., balanced) by an employee who signs checks or reconciles the bank account.
- h. Bank statements and canceled checks should be delivered to the reconciler unopened, or downloaded from the bank website with a personalized ID and password combination.
- i. The bank accounts should be reconciled by a person who does not sign checks, prepare the deposit or maintain the checkbook.
- j. Checks that have been outstanding for greater than 90 days should be investigated.

## Reconciliations

- a. Reconciliation Requirements



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- (1) Reconciliation should be completed within two weeks from receipt of the bank statement. It is the responsibility of the Director of Finance to assure that all reconciliations are complete, accurate, and performed timely.
- (2) Each local account authorized by Communities Connected for Kids should have a separate reconciliation.
- (3) An employee having no other duties relating to cash receipts disbursements, or maintenance of the cash records must prepare the reconciliation. The bank statements and paid checks should be delivered directly from the bank, unopened, to accounting staff designee responsible for the reconciliation. The records will remain with this person until the reconciliation has been completed. The reconciler shall report any errors or irregularities to the Communities Connected for Kids CFO, Director of Finance or designee.

#### Reporting and Reconciliation:

- a. Devereux Foundation will be responsible for maintaining the master list of the approved local bank and petty cash accounts. In addition, Communities Connected for Kids CFO will maintain a current list of approved local bank and petty cash accounts for which Communities Connected for Kids is responsible.
- b. Communities Connected for Kids is responsible for submitting in house accounting activity to the Director of Finance by the 5<sup>th</sup> business day of the following month. This will allow the prior months transactions to be recognized in the month end reconciliation.
- c. Communities Connected for Kids is responsible for completing the monthly bank reconciliation for the Client Master Trust account(s) and submitting the information to the Department of Children and Families no less than quarterly by the 20<sup>th</sup> of the month.

Approved: Carol DeLoach

Carol DeLoach, CEO