

# SECTION 4.01 – RECEIPTING, DEPOSITING & MONEY HANDLING

Contact: Accounting @ Extension 4175, 4176 or 4177

## A. Overview

School and department sites collect funds from various sources for things like tuition, fees, sales of goods and supplies, donations, payments for field trips, and other similar activities. Funds handled and collected by schools and departments are considered public funds and are subject to state laws and regulations governing public funds. The district has instituted basic requirements for cash handling, receipting and depositing money to ensure that legal requirements for funds are satisfied and that funds are properly accounted for and adequately safeguarded from theft, loss, or misuse.

The district's standard receipting tool is the In-Touch software – Point of Sale (POS) receipting system. The POS receipting system interfaces with the district's BusinessPlus Financial Software system. The POS is extremely flexible and with a small amount of forethought and planning, it can be set up on almost any computer workstation or laptop, making it feasible to use in remote situations outside of the immediate office manager's or treasurer's desk.

Each district employee who maintains a responsibility for receipting, requires their own user set-up within the POS system. The user's password is not to be shared with anyone. Use of the POS system is subject to guidelines detailed in the [District Policy and Procedures Section 5225P](#). The accounting office maintains a signed [User Access Request form](#) on file for each POS user. The [Access Request form](#) must be completed before a new user can be given access to the POS. See the form in [Section 4.01a](#).

## References

[Board Policy and Procedure 6020/6020P](#) – System of Funds and Accounts

[RCW 43.09.200](#) – Uniform System of Accounting – Detailed statements of funds collected, received.

[RCW 43.09.240](#) – Public Officers and Employees – Duty to Account and Report – Removal from Office – Deposit of Collections

[RCW 28A.400.030 \(3\)](#) – Superintendent's Duties – Detailed Accounts of Receipts

[WA State Constitution Article XI, Section 15](#) – Deposit of Public Funds

## B. Guidelines and Restrictions

### Cash and Check Handling:

- All district money received shall be counted and immediately receipted.
- All monies must be kept secured until they are deposited at the bank.
- All monies must be deposited *daily* and *intact* to the Revenue Transmittal bank account.

**DO NOT** make purchases or other cash outlays from funds collected. State law requires that any funds collected, must be receipted and deposited intact. ([RCW 43.09.240](#))

**DO NOT** give refunds from the register (cash or check) after they have been receipted. Send all refund requests to the accounting office. (See [Section 4.06](#))

**DO NOT** collect or store money for PTAs, Booster Clubs or other outside organizations. See [Section 1.09](#), School Support Organizations.

**DO NOT** deposit money into a private or personal account for any reason. All monies collected by the district must be deposited into a district account.

Checks must be endorsed immediately upon receipt. (Note: The accounting office may grant exceptions for sites in certain limited circumstances where it is deemed more feasible to endorse checks in batches at frequent and routine intervals during a cashier shift.)

**DO** verify that the written amount of the check is equal to the dollar amount.

**DO NOT** give cash back from an overpayment on a check.

**DO NOT** allow post-dated checks. If a check has a post date, it will still be receipted and deposited in the normal course, without regard to the date on the check. State laws require that funds be immediately receipted and deposited.

We are unable to honor individual requests to hold a check from deposit.

### **C. Data Entry in the Point of Sale (POS):**

**Checks:** Each check number must be entered accurately into the POS. This is especially important if a refund becomes necessary, or if the check is returned by the bank and has to be charged back to the site. The check number in the POS drives the processing of the returned check including assessing the obligation and pursuing collection from the individual that wrote the check. See [Section 4.03](#) which describes the process for returned checks.

**Receipts:** Each receipt should be entered against the individual student's account as applicable. This allows for accurate records and appropriate detailed history of student payment activity. It also allows for additional information that can be queried as needed out of the POS.

**Memo Line:** Memo lines should be utilized in the POS as appropriate.

### **D. Balancing and Depositing Receipts – Point of Sale (POS)**

- Total the amount of currency, change, and checks.
- Total the amount of your receipts as per the POS End-of-Period (EOP) function.
- The totals of the money should agree to the totals per the EOP report in the POS.
- Over/shorts should be researched and, if possible, corrected before completion of the EOP. Unresolved over/shorts should be acknowledged by a written explanation from preparer and signed by a supervisor as appropriate.
- Be sure that all checks have been stamped with a bank endorsement stamp.
- Take the deposit to the bank on a daily basis.
- Obtain the original bank deposit receipt and attach it to the corresponding EOP report.
- Deposit reports (EOP, with attached original bank receipt) should be submitted to the accounting office on a daily basis.

***Reporting End of Period/Deposits to Accounting:*** It is very important that schools and departments send their End of Period Reports with bank deposit receipts attached to the accounting office on a daily basis. The accounting office reconciles all deposits made into the Revenue Transmittal Depository Bank Account for the entire district using the required banking paperwork that sites submit. A computerized interface process ensures each site is given credit in the BusinessPlus software system for deposits of money received through the POS. This interface is posted weekly.

***Night-Drop Banking Options:*** “Night-Drop” deposit options at the bank are available and may be advisable if you have an after-hours event where large sums of money will be collected, as opposed to storing the money at the school over night or over the weekend. Be sure to coordinate in advance with the branch of deposit in order to obtain the resulting bank deposit receipt.

#### **E. Over/Shorts & Other Variances**

It is acknowledged that errors may occur when using the POS. Great care should be exercised to enter things right the first time, and to immediately research and correct any errors that occur. An “Over” or “Short” occurs when there is a variance between amounts expected in cash/checks per the POS, and amounts actually on hand in cash/checks per the physical count.

***Researching an Over/Short:*** If an over/short is found during the preliminary phase of balancing, research steps may include:

Recount the money, and ask someone else to count the money in your presence. Re-add the checks and review the dollar amounts on the checks matching them to the receipt details in the POS. Review any cash/count sheets.

If the error is found and is able to be corrected, it is important that it be corrected before closing out the EOP for that receipt.

***Acknowledging an Over/Short:*** A written explanation needs to be given for unresolved differences. Describe the research and give an explanation for the variance. Cashiers should sign the EOP form acknowledging the over/short and give a brief explanation of the cause and/or the research conducted to find the error.

Over/shorts \$10.00 or greater must be signed by a supervisory administrator.

Further administrative action may be necessary if a pattern of excessive variances is noted.

#### **F. Special Reminders for Receipt Coding in the POS**

**Refund of Expenditures** – When receiving a refund or rebate for an expenditure previously incurred, make sure to use the same org key and object code as the original expenditure.

**Buttons** – Periodically check the set-up for the buttons on your POS terminals to make sure they are attached to the proper item/inventory and that proper account codes are attached for that type of transaction.

**New Codes** – If you don’t see the item or account code you need amongst the many buttons available on your terminal, remember to do a “look-up-inventory” on your terminal. The inventory of items has all the currently available items/account codes set up for your site. If you don’t find what you are looking for there, then you may need to set up a new item and attach the appropriate account code to it. Please contact the accounting office for assistance.

### **Commonly Used Revenue Object Codes for Receipts**

| <b><u>Object Code</u></b> | <b><u>Description</u></b>             | <b><u>Examples of Common Use of Code:</u></b>                                                                                                                            |
|---------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3210                      | Tuition and fees                      | Nontangible items: field trips, workshops, classroom fees (art, photography, etc.)                                                                                       |
| 3220                      | Sale of goods, supplies, services     | Tangible items: planners, vending machine commissions, classroom supplies, magazine subscription sales, (Scholastics, Weekly Readers), PE shirts and shorts, or uniforms |
| 3231                      | Voc Ed sale of goods, supplies, svcs. | For high school use only                                                                                                                                                 |
| 3250                      | Gifts, grants, and donations          | Community donations                                                                                                                                                      |
| 3251                      | PTA/Booster gifts & donations         | PTA/booster donations                                                                                                                                                    |
| 3252                      | EPS Foundation gifts, & donations     | EPSF donations                                                                                                                                                           |
| 3260                      | Fines and damages                     | Book fines (lost library or textbooks), fines for lost PE locks, and other lost property fines                                                                           |
| 3270                      | Rentals                               | Musical instrument rentals                                                                                                                                               |
| 3273                      | Summer school tuition                 | Summer school tuition payments                                                                                                                                           |

#### **G. Reconciling to BusinessPlus Budget Transaction Reports**

Schools and departments should regularly review their BusinessPlus budget and transaction recap reports and compare the activity in their POS reports to ensure consistency and correct any coding errors noted.

#### **H. Other**

**Manual Receipts:** The accounting office has a manual process using official pre-printed sequentially numbered district receipt forms for special circumstances only. Sites are required to use the POS Receipting System, and are not authorized to procure receipt books outside of the POS or the district office standard form.

**Loss of Public Funds:** Known or suspected loss of public funds must be reported immediately to the accounting manager as well as other appropriate administrators responsible for the site or building operations. State law ([RCW 43.09.185](#)) requires the district to report known or suspected loss of funds to the State Auditor’s Office.