

Cedar Rapids Community School District

Cash Management Procedures

Introduction

Handling of cash is under the fiduciary control and responsibility of the District's Board of Education. The Board establishes policies and then procedures are put into place by the District's administration to establish internal control over these funds and to ensure compliance with statutory requirements including Dillon's Rule; Chapter 298A of the Code of Iowa; Iowa Department of Education Administrative Code Section 281-12.6(1); court cases; and opinions of the Iowa Attorney General.

Handling funds in the public school is a serious matter governed by State law and Board policy. This document is intended to assist you in conforming to these regulations. To ensure that cash is managed appropriately, specific cash management procedures have been established. All cash management procedures are applicable to all cash received for all operations of the District.

"Cash" is defined as coin, currency, checks, money orders and P-card-credit card transactions.

Public Purpose

District funds are to be expended only for legitimate public purposes and not for private personal gain for which services of comparable value have not been rendered to the District. This is a requirement of the Iowa Constitution.

All funds received by the District are considered public funds and must be used to support the educational mission of the District. The best test to use when determining whether the expenditure is appropriate is called the "public scrutiny test." The test is simple and merely asks whether the tax-paying public would view the expenditure as necessary to support public education. **If you are already questioning whether the expenditure is appropriate, it may very well not be appropriate.** Contact your supervisor if you have any questions about appropriate expenses.

The Board supports appropriate expenditures of District funds for District officers, directors, employees, and volunteers, as these are commonly granted benefits in public and private organizations which aid in recruitment of personnel, promote improvement of staff morale and cooperation, and assist in building a commitment to the District, thus assisting in creating a more productive learning environment. The following are considered appropriate expenditures provided they are awards or tokens from the District; NOT from the department or building level:

1. Food items, refreshments, and/or mementoes from the District for employee recruitment or recognition for service to the District.
2. District retirement appreciation function and or item to recognize retiring employees
3. recognition item upon the end of service by a Board member
4. volunteer appreciation; District event
5. food items and refreshments for Board members and staff during Board meetings and / or work sessions
6. food items and refreshments for Board committees, superintendent committees, or committee meetings that include participation from the public during the meeting

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District awards or tokens of recognition shall be determined by the Superintendent/designee in advance and shall be paid for with “central” District funds under the control of the Superintendent or designee. Public funds should not be used for the purchase of department or building level staff awards or tokens of recognition.

The District’s Appropriate Use of Public Funds Policy may be found at:
<https://www.cr.k12.ia.us/departments-services/accounting-and-budgeting/>

Records retention

As per Board Regulation 704.5, all documentation related to cash handling must be kept on file at each building/department site for a minimum of 5 years.

Issuing Receipts

Everyone gets a receipt for monies received at buildings, departments or received in the mail. There are two options when issuing receipts.

Individual Receipts: When any student fees are collected at the school/department site, the school/department will issue to all payers either

1. a computer-generated receipt such as from the Infinite Campus system. The payment statement can be printed to show fees have been paid and serves as a receipt to the payer.

OR

2. a receipt can be issued using a pre-numbered, signed receipt from the [CRCSD 3501.0018 Student Receipt Book](#). These forms are available in the District Warehouse. White copy is given to the payer, pink is attached to the building copy of the remittance form and filed at the school site and the yellow copy stays in the receipt book.

Mass Receipts: When small dollar amounts are being collected from many individuals, a separate Money Collection Form may be used in lieu of individual receipts. The completed [Money Collection Form](#) total must match all currency/checks collected. The Money Collection Form and currency/checks must be submitted to the appropriate building secretary/bookkeeper who will issue a receipt to the submitting staff member. The Money Collection Form will be attached and filed with the deposit supporting documentation.

Voiding Receipts

Voided receipts are to be noted as such, i.e., write the word “VOID” across the face of all copies of the receipt and initial. All three copies should be kept in the Student Receipt Book.

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Refunds

Refunds should NOT be made from cash receipts or petty cash. If it is necessary to refund money to an individual who has paid a district fee or fine, or a Student Activity Fund related fee, a [Refund Request Form](#) should be completed. This request should be sent to the Accounting Department, after approved by the Facility/Department Administrator, with a copy of the original receipt for processing.

Issuing Invoices (Request for payment)

With minor exceptions listed below, the Accounting Department is solely responsible for issuing invoices (request for payment). All District Buildings and Departments, who are authorized to send invoices, must submit an [Invoice Request Form](#) to the Accounting Department for centralized billing and accounts receivable aging.

Exceptions to centralized billing at this time would be:

- All student fees (ie: book fees, student activities, lost textbook, etc.)
- Retiree Health Insurance

If in doubt regarding the proper handling of a fee owed the District, please check with the Accounting Department for guidance.

Security of Funds

All monies are to be remitted directly to the building site main office or appropriate designated central location and immediately secured in a safe or locking file cabinet or drawer. Every effort should be made by teachers/facilitators to remit funds to the secretary/bookkeeper daily. Receipts are provided according to the established **Issuing Receipts** procedure.

All funds collected **MUST** always be adequately secured. Keep cash in a locked area; either a safe, cabinet or drawer. **Do not leave cash unattended**; lock it up if interrupted during deposit/transmittal preparations. Safes are recommended for each location; call the district office if you desire a safe and do not have one.

School and Department Administrators are responsible for ensuring the following occur:

- * Changing safe combinations as personnel changes.
- * Limiting the number of people who have access to combinations and keys.
- * Not storing cash in areas where general staff or students have access.

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- * Evaluating the safety of money and the protection of students and employees on a regular basis.
- * Endorsing checks payable to Cedar Rapids Community School District upon receipt.
- * Making bank deposits frequently and keeping cash in schools to a minimum.

Parent or Faculty Group Funds: Since all cash kept on school property may be considered school district funds, it is important to minimize the amount of time funds generated by parent or faculty groups are kept on school property. At a minimum, parent or faculty group funds should be removed from school property on a weekly basis by an appropriate authorized parent or faculty group representative. “Security of Funds” procedures as stated in this section apply to parent and faculty group generated funds until these funds are removed from the building. “Parent Groups” include PTA’s, PTO’s, Booster Clubs, and other similar organizations designed to promote and support the Cedar Rapids Community School District.

THEFT: In the event of a theft, contact the Cedar Rapids Police Department and the Manager of Accounting. Complete a [Damage Loss Report](#) and submit following the Damage Loss Reporting procedure. Contact Business Services for assistance.

Frequency of money remittance to District Accounting Department

All Elementary buildings and District Departments

In order to minimize the amount of monies on hand at all times, all monies collected that are to be submitted to the District Accounting Department will be submitted, at a minimum, on a weekly basis throughout the year. For amounts exceeding \$5,000 remittance must be the same day.

Secondary buildings (Middle and High Schools)

To minimize the amount of monies on hand at all times, all monies collected are to be submitted to the District Accounting Department, at a minimum, on a weekly basis throughout the year. For amounts exceeding \$5,000 remittance must be the same day.

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Submission of all monies from Facility/Department to District Accounting Department

1. Two people at the facility/department location will serve as “counters” and will count and verify the amount of monies that are to be submitted to the District Accounting Department. The money totals should agree to the receipts that have been issued.
2. All checks must be endorsed “Cedar Rapids Community School District - For Deposit Only” using a District provided endorsement stamp. Endorse checks upon receiving them. If you need a new endorsement stamp, please contact the Accounting Department.
3. The money is to be placed into an approved pre-numbered bank bag and sealed.
4. The outside of the money bag will be completed indicating:
 - a. facility/department location of collection
 - b. a total deposit - including cash and check totals that agree with the [General Remittance Form](#).
 - c. signature on the “prepared” line
 - d. date processed
5. Both “counters” are to initial the top strip of the pre-numbered bank bag.
6. The top strip is then to be removed from the money bag and attached to all related receipts with a copy of the General Remittance Form and filed at the building location.
7. Complete the General Remittance Form found in the AppliTrack system for all remittances and submit electronically to the Accounting Department. You may have multiple fees/collections on one general remittance form. Attach all backup documentation electronically.
8. Once receipts are matched with the cash, coins and checks totals and the General Remittance Form is completed, the prepared bank bag (containing only cash, coins and checks-no documents) will be sent to the Accounting Department Cash Desk as follows.
9. The [Facility/Department Bank Bag Transport Log](#) will be completed as follows:
 - a. **When preparing**, complete the following fields within **Facility/Department Information section**: bank bag number, Bag \$ amount submitted, and signature of person preparing the bag.
 - b. **When the bag is picked up for transport** by an authorized District staff person, please complete the following fields within **the Transport Information section**-signature of person releasing bag, signature of person transporting bag, and date. Deposit amount verification is NOT completed until notification is received from the Accounting Department that the transaction is complete. See step 11 below.
 - c. Bank bags that are damaged and are unusable must be recorded on the Facility/Department Bank Bag Transport Log, so all bank bags are accounted for.
 - d. All bank bags transported by District personnel must always be secured and locked.
 - e. When arriving at the District offices, all bank bags are to be taken directly to the Accounting Department Cash Desk.
 - f. The Accounting Department Bank Bag Transport Log will be completed noting bank bag number, date, signed by District person transporting and Accounting Department person receiving.

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10. Upon receipt of the monies by the Accounting Department into the General Ledger and any adjustments by Business Services, the [General Remittance Form](#) will be completed and the originator of the form will receive an e-mail acknowledgement.
11. Upon acknowledgement, the appropriate facility/department staff person will:
 - a. Reconcile the amount verified by the Accounting Department to the amount submitted by the facility/department.
 - b. Check for variances and contact the Manager of Accounting for assistance if needed.
 - c. Sign column 6 of the Facility/Department Bank Bag Transport Log.

Cash Overages and Shortages

If the amount of cash on hand is different than the total receipts issued, an overage or shortage has occurred. An attempt should be made to determine the cause of the discrepancy and the proper steps taken to resolve the error. If the cause cannot be determined, it must be noted on the [General Remittance Form](#) in the description of deposit.

Checking Accounts

No one is allowed to open any type of bank account using the District's Tax ID for depositing school district funds without authorization from the Board Treasurer.

Parent funds such as PTA's, PTO's or Boosters are considered private and not to be deposited into any bank account using the District's Tax ID. Any monies deposited into a bank account using the District's Tax ID become public funds owned by the Cedar Rapids Community School District and subject to use of public funds rules governed by the Code of Iowa.

Any checking account using the District Tax ID that has been opened without authorization of the Board Treasurer must be closed. There are three available options listed below in the event an account must be closed.

1. You may close the account and send the cash balance to the Accounting Department. The Accounting Department will increase your building-controlled budget by the amount of the check. This will be handled as a donation is generally handled. This money will then only be available to be used for allowable expenditures of the District. This does not include staff pop purchases, staff parties, retirement gifts, etc.
2. You may close the account and open a new account using an individual's social security number. This person will be the owner of the account and will have the responsibilities that this entails, including reporting interest, paying fees, etc.
3. You may apply for an employer identification number (EIN) for your group, then close the account and open a new account using the new employer identification number. You can apply for an EIN at www.irs.gov. There are detailed instructions included to help you through this process.

It is necessary to ensure proper controls are in place for all District funds. Please contact the Manager of Accounting for additional assistance.

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Petty Cash

The District's goal is to have a minimum of cash in buildings at any given time. For this reason, Petty Cash is generally not allowed. At secondary buildings where cash boxes are necessary to process the exchange of money at co-curricular events, the aggregate amount kept in cash boxes should ideally be less than \$1,000 for the entire building location. All event gate receipts should be promptly deposited following the event.

The District is not in the business of cashing checks or making change. Please encourage parents/guardians to send the exact amount needed to pay for student fees.

Change Orders

Use of Change Orders is appropriate for District sponsored activities where monies are collected such as sporting events, fine arts events, book fairs and other District sanctioned and managed events. The maximum amount of a change order is not to exceed \$250 unless approved by the Manager of Accounting based upon special circumstances. A [Change Order Form](#) with appropriate instructions is available on the District Intranet. Submit the Change Order Form to District Accounting – cash desk at a minimum of five (5) business days prior to the event.

For all change orders processed in a secondary building either the Change Order Form or a similar form must be used to provide proper documentation and administrative authorization for the change order. Keep all Comp U Order documentation, the Rochester change order receipt, and the bank change order form. Contact Rochester Armored Car Service notifying them that a change order has been placed.

Financial Integrity Hotline

<https://www.compliance-helpline.com/crcsd.jsp>

The ongoing success of the Cedar Rapids Community School District depends on all employees conducting business with integrity. Ethical financial management is critical to our mission. If you feel that someone who works for or with the District is engaged in financial mismanagement, please speak up!

To report the misuse of District funds, you may contact your supervisor or principal. He or she is responsible for listening to your concerns and addressing them.

If, however, you would feel more comfortable bringing your concerns forward anonymously, you can use the District's FINANCIAL INTEGRITY HOTLINE. This program is designed specifically for reporting allegations of financial mismanagement. In submitting a report, you may remain anonymous or identify yourself to be contacted later if additional details are needed. In either case, your information will be treated confidentially.

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To submit a report, or to follow up on a report already submitted, you can call or use a web-based system. The contact information for both is listed below. Your report will be handled promptly and confidentially as long as it is submitted in good faith.

The CRCSD FINANCIAL INTEGRITY HOTLINE
1-866-447-5035

Safe, reliable, and convenient. Toll-free, anonymous, always available.

Also available on the Web at
<https://www.compliance-helpline.com/crcsd.jsp>

Examples of financial mismanagement include:

- Theft
- Fraudulent accounting or financial reporting
- Misuse or abuse of District assets

Note: All Forms listed and underlined in this document are hot linked and can also be found on the CRCSD Website under Staff Resources, Forms: <http://www.cr.k12.ia.us/district-resources/forms/>

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