



## **Deschutes County Administrative Policy No. F-7**

(replaces prior policies F-7, F-8, F-9, F-11)

Original Adoption: January 29, 2007

Revised Adoptions: March 6, 2024; April 9, 2025

Effective Date: May 1, 2025

# **BANK ACCOUNTS AND CASH HANDLING POLICY**

## **A. STATEMENT OF POLICY**

It is the policy of Deschutes County to establish guidelines for the creation and use of bank accounts and cash funds. Additionally, the County establishes policies to ensure department heads design, implement and monitor effective cash handling controls. The policy is intended to comply with the provisions of ORS 294 and ORS 295.

## **B. APPLICABILITY**

This policy applies to all County departments and offices.

## **C. DEFINITIONS**

Bank Account – An account maintained on behalf of Deschutes County at a financial institution. Examples include, but not limited to, deposit, checking, money market, and imprest account types.

Change Fund – A cash fund and sum of money designated for the purpose of making change where cash is collected for transactions with the County.

Petty Cash Fund – A cash fund and sum of money designated for the purpose of making small expenditures for County business.

Bank Account/Cash Fund Custodian – Department heads will appoint a custodian for all established bank accounts and cash funds. The custodian is responsible for the design, implementation, and monitoring of appropriate cash handling procedures for the account/fund. Additionally, each individual County employee who handles cash has custodial responsibility for receiving, handling, transferring, or depositing funds.

For the purpose of this policy, Cash includes the following:

- Currency (paper money and coin)
- Checks
- Debit/credit card payments
- Other physical monetary instruments
- Not included above are electronic payments that are deposited into the County's accounts by an outside agency or entity. If a department is aware that they will be receiving funds in this way, the Finance Department must be notified of the source and amount. Refer to the County Payment Card (merchant card) policy for additional compliance requirements related to electronic payments.

## **D. POLICY**

### **1. Authorization and Establishment of Bank Accounts**

Any and all bank accounts established for the purpose of receiving or disbursing money due and accruing to Deschutes County, or any funds to be held in trust by Deschutes County, will be authorized by the Board of County Commissioners. New accounts must comply with ORS Chapter 295 which governs the custody and control, as well as collateralization of Oregon public funds and provides the statutory requirements for the Oregon State Treasurer's Public Funds Collateralization Program.

Departments requiring a new bank account will prepare a formal request to the County Treasurer. Such a request will include:

- a. Account type
- b. Account purpose including the reason(s) a segregated account is required
- c. Description of account activity
- d. Name of the account custodian (regular/active County employee)
- e. Any other pertinent information requested from the Treasurer

Once the appropriate information is received, the Treasurer will review and submit the request to the Chief Financial Officer (CFO). The CFO will make a recommendation to the Board as to the establishment of the account. Upon the Board's approval of the request, the CFO will establish the account at the financial institution. Once established, the CFO may authorize increases or decreases in bank account balances based on business need. The Finance Department will ensure that all bank account balances are accurately recorded and maintained in the County's accounting system.

Any employee who opens a bank account without first obtaining the required approval will be subject to disciplinary action, up to and including termination. In addition, such employees may be subject to civil and criminal prosecution for misappropriation of funds.

### **2. Authorization and Establishment of Cash Funds**

When a department wishes to establish or increase the balance of a cash fund, the custodian will prepare a formal request to the CFO. Such a request will include:

- a. Amount of the cash funds required
- b. Cash fund purpose
- c. Timeframe for the required funds (permanent or temporary)
- d. Any other pertinent information or as requested from the CFO

Once the appropriate information is received, the CFO will make a recommendation to the County Administrator. Upon the Administrator's approval of the request, the account will be established.

Once established, the CFO may authorize increases, decreases, or conversion between fund types, in cash funds balances based on business need. The Finance Department will ensure that all balances are accurately recorded and maintained in the County's accounting system.

### **3. Closing Bank Accounts or Cash Funds**

If a department chooses to decrease or close a bank account or cash fund, the custodian will notify the Finance Department and deposit the funds into an approved County bank account. The Finance Department will ensure that all cash fund balances are accurately recorded and maintained in the County's accounting system.

### **4. Maintenance and Control of Accounts and Cash Funds**

Expenditures made from bank accounts and cash funds are subject to the same budget and fiscal control requirements as regular expenditures of the County and must be substantiated by acceptable receipts.

Full responsibility for each bank account or cash fund and the method by which it is utilized will rest with the department head which has custody of the funds. The department will designate an employee as the Custodian. The custodian will be responsible for the cash, controls over cash, and supporting documentation.

The following transactions are expressly prohibited from cash funds:

- a. Cashing a check for any person or providing change for a transaction initiated by check.
- b. Payment of expenditures from change funds.
- c. Travel advances or gifts.
- d. Employee expense reimbursement requests over \$10 from petty cash funds.
- e. Any item not directly related to County and department activity.

In a cash fund or imprest checking account, the sum of the cash on hand and the total of the receipts may, on occasion, be more than (over) or less than (short) the total authorized amount of the cash fund. After a careful review for any arithmetical errors, the amount over/short should be noted on the supporting documentation submitted with the cash receipt. In no event should the excess cash be transferred to any other department funds, nor should any cash shortfall be made up from any other department funds.

Overages or shortages will be recorded to the appropriate "Cash (Over) Short" account in the general ledger accounting system. Cash over/short amounts will be reported to the Finance Department Controller using the "Cash Over/Short Form" included in the Cash Handling Standards and Practices published by the Finance Department.

These amounts are reviewed by the Finance Department on a regular basis with individual or departmental follow-up completed as necessary. In the event of a suspected theft or loss of funds from a cash fund, the custodian will notify the CFO immediately.

Deschutes County Finance Department will monitor all bank and cash accounts to maintain adequate controls over cash, accommodate operating needs, and facilitate efficient cash management.

All County bank accounts and cash funds are subject to audit at all times. Audits may be conducted by any party authorized by the Treasurer, CFO, or Auditor.

### **5. Reconciliation**

All bank accounts and cash funds will be reconciled at least monthly, employing the following components to ensure adequate control and separation of duties:

- a. The account will be reconciled to the bank statement by a County employee who is not an authorized signer on the account.
- b. The reconciliation will be reviewed by a second County employee.
- c. Reconciliations will be maintained on file in the custodial department and will be provided upon request to the Treasurer or CFO.
- d. Change funds should be reconciled to underlying receipts and authorized balances daily, or at the time of deposit of the receipts for which they provide change. Change funds will be replenished from the cash receipts at the time of deposit.
- e. Petty cash funds will be reconciled to the expenditure receipts and authorized balances at least monthly, and upon a request for replenishing. Requests for funds to replenish the petty cash fund will be entered in the accounting system along with copies of the receipts for all expenditures.

## **6. Cash Handling Controls**

County department heads will design, implement, and monitor effective cash handling procedures which safeguard cash. These procedures must be in writing and be submitted to the Finance Department for review before changes are implemented. Cash handling procedures will be distributed to all appropriate staff who are involved in cash transactions for the County.

To assist department heads in establishing and monitoring their cash handling systems, departments will adhere to the Cash Handling Standards and Practices developed by the Finance Department. These standards highlight the internal controls that are required by County departments. Certain practices may not apply to every cash handling system, depending on the quantity of the cash transactions and the functions of the department. Additionally, implementation of all recommended controls may not be possible due to limited resources. In these cases, compensating controls will be developed.

## **7. Review of Cash Handling Controls**

Department management will periodically review internal control policies and procedures for cash to ensure they are working as intended. It is critical that department heads promote an effective internal control environment. Effective internal controls minimize the potential for errors or irregularities to occur, and if they do occur, will detect such errors or irregularities in a timely manner during the normal course of business.

## **8. Required Procedures:**

County Departments and Offices must adhere to the *Cash Handling Standards and Practices* developed by the Finance Department. Specific requirements include:

- a. Turnover of funds for deposit (checks, drafts, cash, and other types of payments) must be made to the Finance Department or a designated bank depository within 24 hours of receipt unless compensating controls have been authorized by the CFO. This procedure will be strictly followed except in the event of extenuating circumstances. Such circumstances will be brought to the immediate attention of the Finance Department.

- b. All receipts and invoicing "billing" for goods and services and subsequent collection will be recorded using documents that incorporate a unique identifying invoice number, the County's name, and the department's name. No departments will use "generic" invoice receipts. Access to billing software or invoicing forms will be restricted to necessary personnel.
- c. Each department will reconcile its internal billing software or other revenue reports to the general ledger at least monthly. Any variances will be brought to the attention of the Finance Department for correction. A written record of such reconciliation will be maintained by the department.
- d. All third-party merchant service provider agreements for the acceptance of credit cards, debit cards, or other electronic payment methods will be authorized by the CFO. Further information can be found in the County policy for accepting payment cards.
- e. Funds in transit with merchant service providers must be collateralized in accordance with this policy.

Approved by the Deschutes County Board of Commissioners on April 9, 2025.

A handwritten signature in dark ink, appearing to read "Nick Lelack", with a long horizontal flourish extending to the right.

Nick Lelack  
County Administrator



## **CASH HANDLING STANDARDS AND PRACTICES**

### **A. INTRODUCTION AND OBJECTIVES**

The purpose of the Cash Handling Standards is to provide guidelines for the proper management of cash and cash receipts for those employees responsible for oversight, receiving, handling, and safeguarding cash and cash equivalents. These Cash Handling Standards are for the protection not only of County monies, but also those employees charged with cash handling.

Department heads are responsible for designing, implementing and monitoring effective "cash" handling controls. In addition to designing and implementing effective cash handling systems, department heads must periodically review their systems to ensure they are still working as intended. It is critical that department heads promote an effective internal control environment. Effective internal controls minimize the potential for errors or irregularities to occur, and if they do occur, will detect such errors or irregularities in a timely manner during the normal course of business. If issues do occur with cash handling, a properly developed control environment limits and prevents staff from being implicated.

### **B. DEFINITIONS**

Cash includes the following:

- Currency (paper money and coin)
- Checks
- Debit/Credit card payments
- Other physical monetary instruments

### **C. CASH HANDLING RESPONSIBILITIES**

Millions of dollars in cash, check and credit card transactions are processed by the County each year. Funds collected by County staff are "public funds," defined by the Oregon Revised Statutes 295.001(19).

Those involved in the cash handling have custodial responsibility and liability for the proper handling of public funds. It is in every employee's best interest to see proper cash handling policies and procedures integrated into the day-to-day operations of each department.

Employees with cash handling responsibilities must receive department-specific training and instructions on how to perform those duties and be provided with information about Deschutes County Cash Handling Standards before accepting payments or preparing deposits. Departments are also strongly encouraged to provide regular ongoing training relevant to cash handling duties for all staff involved in deposit preparation and transport, and for staff who supervise those cash handling duties.

#### **1. Safety Standards**

- a. Cash counting activity should take place out of public view and in low staff traffic areas, ideally in offices or areas that are monitored by security cameras. Where necessary,

facilities should have design and office layout characteristics which incorporate the safety of employees handling cash.

- b. County Management should take all steps practical to create a working environment that reduces the likelihood of robbery. In the event of a robbery, three priorities are as follows:
  - i. The preservation of human life and health is the top priority (both County staff and members of the general public).
  - ii. Identify the criminal if possible and notify law enforcement.
  - iii. The recovery (not defense) of County funds should be undertaken by law enforcement or others with sufficient training for this purpose.
- c. County Management should ensure that cash handling staff are aware of exit paths and implications for securing cash in the event of emergency that will not cause delays in evacuation.
- d. County Management should take reasonable steps to minimize the frequency of staff carrying cash off premises.
- e. Individual staff should never accept cash from customers in a one-on-one environment that is not an established cashiering site.
- f. For large cash transfers, armored transport should be arranged.
- g. Departments may request assistance from the Financial Department to implement processes or technologies that balance staff safety, internal controls, and process efficiency.

## **2. Internal Control**

- a. Written departmental cash handling procedures are required and will be filed with the Finance Department Controller. Any modifications in such procedures must be sent to the Finance Department prior to implementation. The procedures must include appropriate steps for safeguarding and reconciliation of cash.
- b. Procedures must provide appropriate segregation of duties such that one employee does not have custody, accounting, and supervisory authority over the transaction. Additionally, the custody of cash will be managed, documented, and prohibit transfers to staff outside the established procedure. These duties will be designed to prevent management (or others) from overriding controls for cash handling.
- c. Job assignments should be changed periodically so that it is more difficult for users to collaborate to exercise complete control of a transaction and subvert it for fraudulent purposes. This should include those with cash handling responsibilities taking regular vacations.
- d. Management or other staff without custody responsibilities will perform timely reconciliations for cash receipts throughout the year comparing the department's recorded revenue in the accounting system to supporting departmental records. Any discrepancies will be examined and resolved in coordination with the Finance Department and/or departmental staff as appropriate.
- e. Incoming mail that has the potential to contain cash payments will be opened by a person other than the employee recording the deposit in the County's accounting system unless compensating controls account for custody of these assets.
- f. Those handling cash will be trained on US currency security features such as watermarks, security threads, and color sifting ink.
- g. All unresolved overages/shortages during cash balancing should be documented and appropriately recorded in the general ledger system. Cash overage or shortages occur

because of unintentional error. This is different from a loss. Loss of cash funds occurs because of negligence, unlawful action, or natural disaster. All losses should also be documented and communicated to management for employee performance and internal control review as soon as possible.

- h. Concerns about cash handling issues, internal control weakness or unusual activity should be reported to the Human Resources Department, the Finance Department Controller, and/or departmental management. Anonymous communications are acceptable.

### **3. Accepting Payments**

County employees accepting payments should follow the following requirements:

- a. Receipts for all incoming monies are required.
- b. When cashiering, always complete the customer transaction before moving on to the next customer or starting another task.
- c. Currency should be counted in the presence of the person presenting it for payment. A copy of the receipt should be given to the customer.
- d. Every check or money order must be reviewed for completeness as follows:
  - i. Verify that Account holder's name and address is included on the check. Also, a daytime phone number is preferred.
  - ii. Verify that the check has a bank name listed, and that the routing number, customer's bank account number, and check number are encoded on the bottom edge of the check.
  - iii. Note the date. Do not accept a postdated check (a check with a date in the future), or agree to hold the check for future deposit.
  - iv. Verify the amount is correct and the numerical amount matches the amount written in words. In general, banks will honor the written amount over the numerical amount.
- e. All checks should be restrictively endorsed immediately upon receipt, either with a stamp or manually, as part of that transaction. The endorsement language may vary between departments, but generally must include "For Deposit Only, Deschutes County {Department}." Some restrictive endorsements may occur electronically with remote deposit.
- f. Always include accurate general ledger account coding for every transaction.
- g. Always balance cash to documentation every time custody is transferred, dating, and signing off on the documentation each time for a complete audit trail.
- h. Any time an unresolved cash discrepancy arises during the balancing process, it must be reported in accordance with the County's policy "Bank Accounts and Cash Handling" for cash over and short.
- i. If a bill or check is suspected as being counterfeit, request an alternate form of payment. Contact the Finance Department Controller for additional information.

### **4. Prohibited activities:**

- a. Never leave cash unattended; if an employee leaves, even briefly, cash must be secured.
- b. Never take customer cash (currency, credit cards) out of the customer's view.
- c. Never use cash drawers as petty cash to pay for expenses.
- d. Never cash employee or other checks with money from cash receipts.
- e. Foreign currency or checks are not to be accepted.
- f. Never write down credit card information or record it on a document.



- g. Never deposit cash in a bank account other than the one prescribed by the Finance Department.
- h. Never take cash home for "safe keeping" except in rare circumstances jointly pre-authorized by the Finance Department and the department head.

## **5. Making Deposits**

Departments receiving any monies are responsible for safekeeping and timely deposit.

Departments should do the following:

- a. Endorse checks with a restrictive endorsement immediately. Some restrictive endorsements may occur electronically with remote deposit.
- b. Deposit all monies within one business day, unless compensating controls have been authorized by the CFO.
- c. Deposits should be made more frequently if the department lacks secure safekeeping for holding funds.
- d. All monies held overnight should be in a secure area.
- e. If a department finds isolated events where it is unable to comply with the next business-day deposit requirement due to unusual circumstances beyond its control, it is encouraged that the department document the reasons for the occurrence and retain the documentation in department files, as this may prove beneficial to the department in the event of an audit.

Credit card payments are completed when a batch settlement is transmitted. All credit card payments must be settled and submitted for deposit daily. A Settlement Report must accompany a completed cash receipts record. The Settlement Report (goes by various names depending on the credit card reader or machine used for processing), is a summary of transactions for a specific date or date range and lists the total number of transactions and the total dollar amount. Most Settlement Reports will subtotal by types of credit cards used, and by charges versus credits/refunds.

Guidelines for completing a bank deposit:

- f. Date the deposit slip.
- g. Note the department or index on the deposit slip.
- h. List coin and currency separately in area provided.
- i. List checks and include support for mathematical adding (adding tape or electronic list of additions to arrive at the total).
- j. Sort all cash in front of checks, faced and in order of denomination.
- k. Endorse all checks.
- l. Include Traveler's checks with checks.

## **6. Change Funds and Petty Cash**

- a. Change funds should be reconciled at the time of deposit of the receipts for which they provide change. Change funds will be replenished from the cash receipts at the time of deposit. The replenished funds should agree to the amount authorized.
- b. Change funds should be counted at the beginning and end of shifts and appropriate documentation retained to evidence the custody of cash.
- c. Petty cash funds must be controlled such that access is only available to authorized persons.

- d. At any point in time, the cash on hand and receipts supporting purchases should equal the total authorized petty cash amount.
- e. Petty cash funds will be reconciled to the expenditure receipts at least monthly, and upon a request for replenishing. Requests for funds to replenish the petty cash fund will be entered in the accounting system along with copies of the receipts for all expenditures.

#### **7. Reconciliation and Monitoring**

- a. Departments should reconcile cash receipts to internal records daily and report deposits to the Finance Department by recording in the County accounting system or other established procedure.
- b. The Finance Department reconciles the depository bank accounts daily with discrepancies resolved as soon as possible.
- c. Departments should reconcile accounts receivable at least monthly and investigate any variances. This includes documenting a process for handling of outstanding billings and the collection efforts made to resolve long-outstanding items.
- d. Billing adjustments, credits, write-offs, and other changes to customer accounts should be subject to supervisory approval or other oversight.

#### **8. Merchant Compliance Standards**

- a. Departments that accept credit cards, debit cards, or other forms of electronic payment will follow the County's Payment Card Policy. This includes obtaining authorization from the Chief Financial Officer before establishing an agreement with third-party merchant service providers and coordination with Information Technology on the implementation for accepting/ transmitting customer payment data.
- b. No County forms (paper or web-based) will request personally identifiable financial information (PIFI) such as credit card, debit card or e-check information.
- c. When PIFI such as credit card data is taken over the phone, it will be keyed directly into the point-of-sale device and never written down.
- d. Payment card processing equipment will be secured overnight and kept at the counter in a place not easily accessed by the public to avoid tampering and the introduction of "skimming" devices.
- e. Additional payment card compliance requirements are outlined in the Payment Card "Merchant" Policy.

#### **D. ATTACHMENTS**

Appendix A – Cash Over and Short Form

Appendix B – Assignment, Transfer, or Dissolution of Cash Drawers and Petty Cash Boxes Form

Appendix C – Checklist for Cash Receipts in County Departments

## Appendix A

### CASH OVER/SHORT FORM

(To be attached to deposit documentation and forwarded to the Finance Department Controller)

Date: \_\_\_\_\_

Department/ Office: \_\_\_\_\_

Amount collected and deposited (A): \$ \_\_\_\_\_

Anticipated receipts per Department records (B): \$ \_\_\_\_\_

Difference (A) - (B); Over (Short) amount: \$ \_\_\_\_\_

Explanation for difference:

\_\_\_\_\_

\_\_\_\_\_

Cashier's Name(s): \_\_\_\_\_

Cashier's Signature(s): \_\_\_\_\_

Supervisor's Name: \_\_\_\_\_

Supervisor's Signature: \_\_\_\_\_

*{If the difference equals or exceeds \$100, the Department Head must acknowledge}*

Department Head's Name: \_\_\_\_\_

Department Head's Signature: \_\_\_\_\_

## Appendix B

### ASSIGNMENT, TRANSFER, DISSOLUTION OF CASH DRAWERS AND PETTY CASH BOXES FORM

Department and location: \_\_\_\_\_

#### Cash Balance Requested

The total cash drawer should always contain \$\_\_\_\_\_, plus any current payments received, or, in the case of petty cash, expense receipts. If the cash is found to be over or short, then an overage/shortage will be reported using form in Appendix A (above) and in compliance with the County's Bank Accounts and Cash Handling Policy.

#### Use of Cash

- ☐ Petty Cash (used for purchases only)
- ☐ Cash/ Change Fund (used to produce change when accepting payment)

#### Control of Cash

By signing as the custodian of these funds, I agree to the following:

- ☐ I have read and agree to the cash handling standards and practices described in this document.
- ☐ I have read and acknowledge Deschutes County's Bank Accounts and Cash Handling Policy.

#### New Custodian

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Work Email: \_\_\_\_\_

Phone: \_\_\_\_\_

#### Resigning Custodian (use if transferring custodian)

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Work Email: \_\_\_\_\_

Phone: \_\_\_\_\_

#### Finance Department Authorization

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Checklist for Cash Receipts in County Departments

### Cash includes the following:

- Currency (paper money and coin)
- Checks
- Debit/credit card slips
- Money orders
- Traveler's checks
- Bank drafts, etc.



These are also known as negotiable instruments.

		Yes	No	N/A
<b>A.</b>	<b>General Control Procedures</b> <i>Department designed and implemented internal controls.</i>			
	<ul style="list-style-type: none"> <li>○ Have you established written accounting procedures for cash collection? Procedures should be clear, comprehensive, and understood by staff.               <ul style="list-style-type: none"> <li>▪ <i>Procedures should document the flow of receipts, receipting documents, controls over receipts, and the recording of transactions. Instructions should be comprehensive, generally understood and applied. Appropriate staff should acknowledge receipt and understanding of the procedures.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>○ Are cash handlers familiar with US currency security features?               <ul style="list-style-type: none"> <li>▪ <i>Security features include:</i> <ul style="list-style-type: none"> <li>▪ <i>Watermark</i></li> <li>▪ <i>Color-shifting ink</i></li> <li>▪ <i>Fine-line and microprinting</i></li> <li>▪ <i>Security thread</i></li> <li>▪ <i>3D security ribbon</i></li> </ul> </li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	○ Do cash custodians regularly take vacations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	○ Are alternate staff members trained in accounting procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>B.</b>	<b>Segregation of Duties</b> <i>Represents the separation of incompatible duties and/or responsibilities and assures that one person is not able to conceal errors and/or irregularities.</i> <i>Key duties include:</i> <ul style="list-style-type: none"> <li>○ <i>Collection/Processing – responsible for carrying out transactions.</i></li> <li>○ <i>Authorization – responsible for approving transactions.</i></li> <li>○ <i>Recording – responsible for entering transactions into the system.</i></li> <li>○ <i>Reviewing/Reconciliation – responsible for independent oversight of transactions.</i></li> </ul>			
	<ul style="list-style-type: none"> <li>○ Are key duties separated among individual employees?               <ul style="list-style-type: none"> <li>▪ <i>No one person should handle a cash transaction from beginning to end. Duties should be sufficiently segregated so no employee has custody, accounting, and supervisory authority over the transaction.</i></li> <li>▪ <i>Individuals receiving cash do not prepare entries for non-cash accounting records, such as accounts receivable, the general ledger, or the general journal.</i></li> <li>▪ <i>In small departments, it is especially important to separate the handling of cash from the reconciliation of revenues.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		Yes	No	N/A
	<ul style="list-style-type: none"> <li>Are bank or finance receipts compared to the deposit record by someone other than the person preparing the deposit?               <ul style="list-style-type: none"> <li><i>In MUNIS, this would be receipt activity reported to the Finance department compared to deposit records.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Can anyone override cash receipt controls?               <ul style="list-style-type: none"> <li><i>The MUNIS system settings do not allow overrides.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>C. Incoming Mail</b>				
<i>Represents customer mail that has the potential to contain cash.</i>				
	<ul style="list-style-type: none"> <li>Is mail opened and distributed by a person other than the cashier or accounting personnel?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are cash receipts witnessed when included in the mail?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Does someone independent of accounting log/account for the received cash?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>If so, is the log used as a check against the deposit or receipt record?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Does the person opening the mail immediately endorse negotiable instruments with an appropriate county deposit stamp?               <ul style="list-style-type: none"> <li><i>Checks should be made payable to "Deschutes County- ____ department".</i></li> <li><i>All negotiable instruments received should be restrictively endorsed for the appropriate Deschutes County bank account.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>D. Receipting/collection controls</b>				
<i>Represents controls over the amount of cash received over the course of the day. Cash lost or misappropriated prior to being receipted is more difficult to trace than cash that has been receipted.</i>				
	<ul style="list-style-type: none"> <li>Are receipts created in all cases, even if rejected by the customer?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are all receipts recorded in MUNIS, cash register, on pre-numbered receipt slip, pre-numbered invoice, or other equivalent means?               <ul style="list-style-type: none"> <li><i>All cash received should be evidenced through a controlled receipting process.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are payment receipt forms pre-numbered and imprinted with the department name?               <ul style="list-style-type: none"> <li><i>The MUNIS system settings do this automatically.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are all negotiable instruments received for payment immediately endorsed with an appropriate county deposit stamp?               <ul style="list-style-type: none"> <li><i>Checks should be made payable to "Deschutes County- ____ department".</i></li> <li><i>All negotiable instruments received should be restrictively endorsed for the appropriate Deschutes County bank account.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are voided receipts accounted for and authorized by another person?               <ul style="list-style-type: none"> <li><i>MUNIS system settings do this automatically.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Is cash given back on negotiable instruments?               <ul style="list-style-type: none"> <li><i>(i.e., cash back on a debit card purchase)</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		Yes	No	N/A
<b>E.</b>	<b>Physical safeguards</b> <i>Physical controls in place to reduce risk that cash can be stolen.</i>			
	<ul style="list-style-type: none"> <li>Is there a designated custodian for cash and is the transfer of cash to other employees documented?               <ul style="list-style-type: none"> <li><i>There should be adequate accountability for movement of funds between people.</i></li> <li><i>Tamper-proof deposit bags can also be used.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Does anyone other than the designated custodian have unrestricted access to cash?               <ul style="list-style-type: none"> <li><i>There should be sufficient safeguards to prevent access to cash by anyone other than the person who collected it.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are appropriate safeguards employed to safeguard cash in County facilities depending on the amount and duration the cash is held?               <ul style="list-style-type: none"> <li><i>Access should be limited.</i></li> <li><i>Possibilities include locking file cabinets, locking drawers, safes, etc.</i></li> <li><i>Consideration for surveillance – electronic or guards.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are access and transactions with cash in a safe logged and witnessed?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Is armored transport arranged for large amounts of cash?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Has the department addressed potential robbery risk?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>F.</b>	<b>Deposit /Reconciliation</b> <i>Establishing how much cash should be present, counting how much is present and securing cash with County Finance or the County's bank</i>			
	<ul style="list-style-type: none"> <li>Is cash accounted for and balanced to receipt records daily?               <ul style="list-style-type: none"> <li><i>(i.e., Munis settlement, register tapes, card processing reports)</i></li> <li><i>These may be manual or computerized processes. In cases where there are department accounting systems, those systems should be reconciled to activity reported to the Finance department through deposits.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are all cash overages and shortages reported to management and the Finance Department?               <ul style="list-style-type: none"> <li><i>This includes revenue, change funds, and petty cash.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are the contents of the deposit clearly documented?               <ul style="list-style-type: none"> <li><i>Totals of any coins, bills, and/or checks.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Does the cashier prepare duplicate deposit tickets so that the bank can validate one copy, and a person other than the cashier can verify the returned bank receipt against the duplicate deposit ticket?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Is all cash collected deposited intact?               <ul style="list-style-type: none"> <li><i>There should be no retaining, adding, or substituting of cash.</i></li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are tamper-proof deposit bags used for the deposit?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Are cash receipts deposited within 24 hours?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> <li>Is receipt activity reviewed for unusual fluctuations?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No	N/A
<b>Accounting not determined/Suspense accounts:</b> ○ Does the department delay deposit if the accounting is not determined? ▪ <i>Sometimes transactions are uncertain or have incomplete information. For example, a records request fee collected before confirmation of the records existence. The County encourages the department to deposit these amounts daily. For departments where this is a routine occurrence, suspense accounts may be created to hold the accounting of the deposit until a proper accounting can be made. Departments shall make efforts to reconcile and clear these entries in a timely fashion.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Coordination with other departments:</b> ○ Is deposit coordination considered with other departments? ▪ <i>At those times, they should secure their cash separately in a tamper-proof bank bag, noting the serial number and amounts for later reconciliation to the bank receipts.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>G. Manual Back Up</b> <i>Applicable if computerized systems are not used or temporarily unavailable.</i>			
○ Are manual receipt books controlled and safeguarded?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Is the sequence of receipt numbers monitored?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Are payment receipt forms pre-numbered, imprinted with the department name, and in triplicate? ▪ <i>Triplicate forms allow for one copy provided to customer, one to accompany cash, and one with receipt book for control.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>H. Accounts receivable</b> <i>Represents credit established for customers to purchase services on account.</i>			
○ Are computerized accounting systems designed to limit authority and require supervisory approvals for adjustments, credits, and write-offs? If not, is the activity periodically reviewed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Are there appropriate reports on accounts receivable and billing activity? ▪ <i>Billing systems should have adequate reporting systems to allow for follow-up on outstanding billings.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Are accounts receivable postings compared to receipting logs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Are changes to customer accounts overseen? ▪ <i>(i.e., additions, changes, deletions)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>I. Change Funds</b> <i>Represents cash held to provide change for customer receipts.</i>			
○ Are change funds approved and matched to authorizations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Are change funds counted by the custodian at shift beginning and end?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
○ Is cash counted by an independent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



		Yes	No	N/A
	o Are surprise cash counts conducted by an employee outside collection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	o Is the change fund used for petty cash? Vice versa?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>J.</b>	<b>Petty cash</b> <i>Represents money available for minor purchases. Cash is replenished periodically based on appropriate receipts and accounting.</i>			
	o Is the authorized petty cash amount maintained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	o Are petty cash payments supported by receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	o Is access to petty cash restricted to custodians?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	o Is replenishment done routinely through a reimbursement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	o Does petty cash on hand match authorized amount and submitted receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	o Is there a continuing need for a petty cash fund?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>