



Federal Programs: Cash Management

FEDPRO-1: CM
Updated December 2023

Garfield County School District (GCSd) provides assurances that it will expend and account for Federal awards in accordance with Federal and State law and USBE Rules, including compliance with the USBE published chart of accounts. GCSd provides assurance that they comply with the provisions of 200.302 and meets the minimum standards established in section (b)(1)-(7) including:

- 1) identification, and accurate, current, and complete disclosure, of federal awards and expenditures - including records of such;
- 2) effective control over all funds, property, and other assets purchased with Federal funds, including adequately safeguarding all assets and ensuring they are used solely for authorized purposes;
- 3) establishment of written procedures to
 - 1) implement cash management requirements and
 - 2) for the determination of allowability of costs in accordance with 2 CFR 200 Subpart E- Cost Principles parts 400-475;

Cash Management

The objective of the policy is to set the best practices for cash management at GCSd in order to bring in efficiency, reduce risk, or avoid human error. This policy applies to all employees who handle cash at GCSd. This includes but is not limited to GCSd's employees, contractors, consultants, and other workers, including all personnel affiliated with external organizations with access to GCSd's cash. Any deviation from this policy has to be approved by the GCSd. Any changes to the policy must be approved by Legal and Compliance. Violation of this policy is subject to disciplinary action, up to and including termination.

Policy / Process

- A cash handling policy is a set of rules on managing Company cash either within or outside the premises. Cash handling policies focus on safety to reduce cash loss and help increase efficiency and reduce human error.
- As a daily procedure, available cash must always be under lock and key.
- No cash should be disbursed or received without a formal voucher or document with acknowledgment given or taken.
- This policy mandates a proper maker-checker balance implemented for cash handling.
- The designated Reporting Manager will form the maker-checker balance.
- Cash transactions for the day will be checked and tallied by the Reporting Manager for both inward and outward cash movements.
- The daily opening and closing balance of physical cash available will be verified and signed off both by the Reporting Manager at the close of business hours.
- Cash balance and cash box must be stored in a strong room or vault or an immovable safe at the close of business hours.
- The Reporting Manager will be responsible for any difference in cash balance, which may lead to investigations.
- Any discriminating difference or missing cash must be reported to HR for verification and further investigations.
- Where a substantially large volume of cash is being transported, safety precautions such as a safety cash box along with at least two trusted employees must accompany the cash box.
- Validity of cash insurance must be ensured by the Finance team to protect GCSd against any theft, robbery, or cash loss in transit.

Cash Disbursement & Collection Policy

- Only authorized employees can handle company cash.
- Cash surpluses and deficits should be recorded and accounted for.
- The safe should be used to store all the cash in the office.
- Cash drawers should be secured under lock and key when not in use.
- Employees having keys to the cash box or safe including duplicates must be recorded and proper signoffs.
- Two authorized employees should always be present when cash is being counted. Both people need to sign the cash activity sheet acknowledging that the recorded amount was correct.
- When cash is handed off to the next person in the shift, the person accepting the cash should count the cash and accept it by signing the cash activity sheet.
- The cash activity sheet should be kept with the cash and not be taken elsewhere.
- Bank deposit slips should match the cash activity sheet.
- Records should be kept on all cash deposits and payments.
- Cash transactions must be accounted in the books of accounts by the end of the day and the closing balance in the books must match the physical cash balance.

Background Checks & Dependability

GCSd believes in its employees who are entrusted with handling company cash and expects them to be trustworthy. The Company reserves the right to conduct background checks of the employees as a part of their precautionary audit.