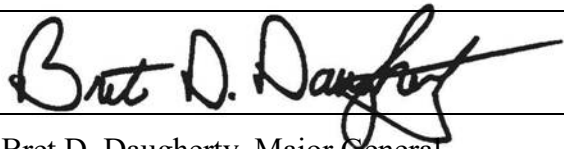




Department Policy No. FIN-107-12

Title:	Handling and Safeguarding of Cash Receipts
Authorizing Source:	OFM State Administrative and Accounting Manual (SAAM) <ul style="list-style-type: none">• Chapter 85 – Accounting Procedures Section 85.20 – Revenue and Cash Receipts Section 85.50 – Cash• Chapter 20 Internal Control and Auditing RCW 42.26 Petty Cash Accounts RCW 43.01.050: Daily remittance of moneys to treasury – Undistributed receipts account.
Information Contact:	Chief Financial Officer Building 1 (253) 512-8115 Accounting Manager Building 1 (253) 512-8288
Effective Date:	March 1, 2012
Mandatory Review Date:	October 23, 2022
Revised:	October 23, 2018
Approved By:	 Bret D. Daugherty, Major General The Adjutant General Washington Military Department Director

Purpose

The purpose of this policy is to establish guidelines for the proper handling, safeguarding, receipting, and depositing of cash received by the Washington Military Department (WMD).

Scope

This policy applies to all state employees of the WMD and any federal employees of the Washington Air National Guard and Washington Army National Guard, federal technicians, and contracted personnel who handle cash on behalf of the State of Washington.

Definitions

1. **Cash:** Any currencies, warrants, personal or business checks, or money orders.

2. **Daily Cash Receipts Log:** The form that each WMD office/division must fill out to document all cash receipts.
3. **Cash Receipt:** A sequentially numbered form issued in numerical order and strictly accounted for by the WMD office/division from which the receipts are issued.
4. **Over-the-Counter:** A cash transaction directly from the individual or business to the WMD. This type of transaction is anticipated and occurs in person. Over-the-Counter transactions include cash received from billeting, the American Lake Campground, meals purchased at the Washington Youth Academy (WYA), and the leasing of armories. It also includes the collection of boat launch fees, which are deposited by the customer into a locked box by the boat launch.
5. **Imprest Account:** Per SAAM, an account into which a fixed amount of money is placed for the purpose of making change or for minor disbursements.
 - a. **Change Account:** A type of imprest petty cash account used solely for making change in over-the-counter cash transactions.
 - b. **Change Account Custodian:** Person designated by the agency director to be responsible for each change account.

Policy

1. In accordance with SAAM Chapter 20, cash handling duties must be distributed across multiple people.
2. To ensure cash received by mail is handled properly, WMD offices/divisions must designate centralized area(s) within the office/division for mail to be opened.
 - a. All mail must be delivered unopened to the designated area(s).
 - b. Mail should be opened in the presence of two (2) individuals on a daily basis whenever possible.
3. All warrants, checks, drafts, and money orders must be restrictively endorsed immediately upon receipt by the division that receives them. The State Finance Division may issue an endorsement stamp to other WMD programs. By accepting an endorsement stamp, the WMD program agrees to restrictively endorse all warrants, checks, drafts and money orders immediately upon receipt.
4. The State Finance Division will distribute books of pre-numbered, sequential cash receipts to each program expected to receive cash during the program's regular business. Per SAAM Section 85.20, any time cash is received over-the-counter or in the field (except boat launch fees deposited into the unmanned lock box), the recipient of the cash must document the transaction using the next sequential receipt. Cash receipt numbers issued must be reconciled to cash receipt numbers received to account for all receipts issued for over the counter transactions, including any cash receipts that were voided. In the case of a discrepancy between issued and reconciled receipts, the responsible WMD program must document the reason for discrepancy.

5. Two (2) people must count all cash and record cash received on a Daily Cash Receipts Log. The Log must be signed by both people.
6. **Billeting:** The Billeting Office Manager or designee will issue a cash receipt any time cash is received and is responsible for maintaining the Daily Cash Receipts Log. The Billeting Office Manager or designee will submit all cash, cash receipts, and the Daily Cash Receipts Log to the State Finance Office on the first business day of each week; before any duty weekend, annual training, or state active duty; and as frequently as necessary to ensure the cash on hand does not accumulate above \$1000. If Billeting is unable to turn the cash in to the State Finance Office on the day it is received, it must be stored in a vault or safe until it is submitted. A reviewer from State Finance will verify the receipts and record in the Daily Cash Receipt log.

The Billeting Office may maintain a Billeting Change Account of \$75 cash for providing change to Soldiers and Airmen paying for billeting. The Billeting Change Account Custodian must inspect the Billeting Change Account at least quarterly to ensure the balance is \$75.

7. **Washington Youth Academy Meals:** The WYA Administrative Assistant will issue a cash receipt any time cash is received and is responsible for maintaining the Daily Cash Receipts Log. The WYA Administrative Assistant or designee must deposit all cash into the State Treasurer's designated bank account within one (1) business day of receipt of the cash. If the WYA is unable to deposit the cash the same day, it must be stored in a fireproof vault or safe for overnight safekeeping. The WYA Administrative Assistant must submit the Daily Cash Receipts Logs, all cash receipts, and all deposit slips to the State Finance Office at least monthly for review.

The WYA may maintain a WYA Change Account of \$25 cash for providing change for meals purchased by staff and visitors in the WYA dining room. The WYA Change Account Custodian must inspect the WYA Change Account at least quarterly to ensure the balance is \$25.

8. **American Lake Campground:** Campers may pay for their campsites either at the Campground Host or at the National Guard Association of Washington (NGAW) Office. Either the Campground Host or the NGAW Office, whichever receives the payment, issues the receipt/registration form. The Campground Host is also responsible for retrieving boat launch fees from the lockbox every day and must have two people present at the time of retrieval. The Campground Host must hand deliver the cash to the NGAW office promptly. The NGAW office must hand deliver all cash, receipts/registration forms, and the Daily Cash Receipt Log to the State Finance Office on the day of receipt. If the NGAW is unable to turn the cash in to the State Finance Office the same day, they must store it in a vault or safe for overnight safekeeping and bring it to the State Finance Office by 1:00 PM the next business day. A reviewer from State Finance will verify the receipts and record in the Daily Cash Receipt log.
9. **Rental of Armories:** The renter must submit an application, rental agreement, and payment via certified funds, such as a money order, to the federal employee of the Washington Army National Guard or Washington Air National Guard who staffs the armory. The person who

collects the payment for the lease must overnight the application/rental agreement, and payment to the Real Property Office at Camp Murray. The Real Property Office must hand deliver the cash and a copy of the application/rental agreement to the State Finance Division on the day it is received. The State Finance Division will confirm that the cash received matches the application/rental agreement, issue the cash receipt to the Real Property Office, and record the receipt in the Daily Cash Receipt Log.

10. In accordance with RCW 43.01.050, the State Finance Division must deposit all cash into the State Treasurer's designated bank account within one (1) business day of receipt of the cash. To accomplish this timeline, the State Finance Division will deposit cash into the State Treasurer's designated bank account at least once each afternoon on business days. WMD divisions/offices responsible for submitting cash to State Finance must deliver the cash by 1:00 PM daily. If cash is received after 1:00 PM, the receiving WMD division/office must either turn it in to State Finance or store it in a vault or safe for overnight safekeeping and submit it to State Finance the following business morning. If State Finance receives cash after 1:00 PM, they may deposit it into the State Treasurer's designated bank account that day or store it in a vault or safe for overnight safekeeping and deposit it the next day.
 - a. Exception: Payment for the leasing of armories or for billeting must be deposited into the State Treasurer's bank account within 7 calendar days after it is received by National Guard staff at the Armory or Billeting Office.
11. The accounting supervisor or designee will verify, initial and date the cash journals each day before funds are deposited.
12. Under no circumstances should federal or contracted personnel make deposits on behalf of the state. This responsibility is strictly for state employees.
13. Upon request, the State Finance Division may authorize WMD offices/divisions in outlying areas to make deposits into the State Treasurer's designated bank account on behalf of the State Finance Division.
 - a. Outlying offices/divisions must give reasonable justification for the request in order for the request to be considered.
 - b. Approved WMD offices/divisions must follow all cash handling and safeguarding guidelines described in this policy.