

Chapter: General Financial Provisions
Rule: Cash Handling

Effective Date: 8/28/98, T-43
Page: 1 of 2
Replaces: GAP.09.37
Dated: 12/31/96, T-40

ACA Standard(s): 3-JTS-1B-03, 1B-09

(a) **Policy.**

Texas Youth Commission (TYC) operated facilities use standard cash handling procedures to insure adequate control over imprest funds and transactions involving cash receipts or disbursements of TYC funds and student trust funds.

(b) **Procedure.**

(1) **Receipts.**

- (A) The central office cashier, institution business manager, or halfway house superintendent sends the assistant deputy executive director for financial support a signed funds custodian receipt for imprest funds advanced. This includes petty cash, revolving fund, and travel advance funds.
- (B) The assistant deputy executive director for financial support, institution business manager, or halfway house superintendent; quality assurance administrator, or parole supervisor:
 - (i) has the cashier sign a custodian receipt when funds are advanced to a cashier for a petty cash fund;
 - (ii) files the receipts in his/her office; and
 - (ii) requires staff to use prenumbered receipts, daily logs of incoming cash if receipts are not written when opening mail, segregation of duties, and formal cash counts to control cash handling.

(2) **Safes.**

The assistant deputy executive director for financial support, institution business manager, halfway house superintendent, quality assurance administrator, or parole supervisor:

- (A) keeps all cash in a fireproof, locking safe in the business office;
- (B) allows only him/herself, one cashier, and one alternate cashier access to the safe; and
- (C) changes the lock or combinations to the safe when staff with access changes.

(3) **Cash Counts.**

- (A) The central office accountant, institution business manager, halfway house superintendent, quality assurance administrator or parole supervisor performs unannounced cash counts of all funds at least once monthly in their respective programs. (Refer to the Accounting Manual for additional information regarding Cash Count and Reconciliation). If desired, the task may be delegated to a staff member who does not handle cash as part of regular duties. Discrepancies in cash funds or cash receipts are reported immediately to the assistant deputy executive director for financial support.
- (B) The central office accountant or designated staff records all cash and cash items on hand when making the cash count.

Chapter: General Financial Provisions
Rule: Cash Handling

Effective Date: 8/28/98, T-43

Page: 2 of 2

Replaces: GAP.09.37

Dated: 12/31/96, T-40

ACA Standard(s): 3-JTS-1B-03, 1B-09

(C) The assistant deputy executive director for financial support notifies the state auditor or takes other action needed to correct the discrepancy.

(4) **Repaying Shortages.**

(A) The funds custodian repays cash shortages from his/her personal funds.

(B) The assistant deputy executive director for financial support, institution business manager, halfway house superintendent, quality assurance administrator, or parole supervisor assumes responsibility for shortages of imprest funds.

(5) **Training.**

The central office accountant, institution business manager, halfway house superintendent, quality assurance administrator, or parole supervisor provides the following on-the-job training to staff assigned to handle cash and records the training in the employee's personnel file:

(A) use of required documentation; and

(B) pecuniary liability for such funds.

(6) **Monitoring.**

The central office accountant, institution business manager, halfway house superintendent, quality assurance administrator, or parole supervisor periodically reviews internal controls on cash handling from the point of receipt to deposit and corrects deficiencies immediately.
