Marcellus Free Library

Policy Name:	**Cash Management**		
Section Title:	Finance		
Adopted:	10/12/2017	**Reviewed**:	4/10/2025

1. Policy Statement: This policy ensures the safe and secure handling of money, providing reasonable assurance that funds are protected from unauthorized use or loss. Strong internal controls also safeguard employees from inappropriate accusations of mishandling funds. This document outlines the procedures for receiving, handling, recording, and depositing cash and checks at the Marcellus Free Library.

2. Definitions

Cash includes coins, currency, money orders, and checks. The library does not accept credit/debit cards or cash equivalents.

Segregation of duties means that the staff member who collects money must not be the same person responsible for reconciling accounts or performing banking functions.

3. Policy Guidelines

A. Collecting Funds

The library may collect funds from patrons for:

- Library obligations (fines, fees, replacement of lost or damaged items).
- Library programs, printing/copying/fax services, and special promotions (e.g., fundraisers).
- Donations to the Friends of the Marcellus Free Library, Inc.

Check and Money Order Handling:

- Checks/money orders must be made payable to "The Marcellus Free Library" for the exact amount due.
- The library does not accept checks for amounts exceeding the obligation.
- All checks must be endorsed immediately with "For deposit only – Marcellus Free Library."

Cash Handling:

- All funds collected must be stored in a lockable cash drawer at the circulation desk.
- The borrowing or personal use of library funds is strictly prohibited.

B. Recording Funds

- Payments for library obligations (fees, and replacements) must be recorded in the library management system, with receipts printed and provided to patrons.
- Funds for other activities (program fees, printing, fundraisers) must be documented using an approved method that maintains a clear audit trail.
- Money must be placed in labeled bank envelopes within the cash drawer.

- Funds collected on behalf of the Friends of the Library will be stored in a separate labeled envelope, but the library will not process or issue receipts for these funds.

C. Reconciling Funds

- A designated staff member, who does not handle cash transactions, must reconcile daily cash transactions.
- Any discrepancies must be documented, resolved, signed, and dated for record-keeping.

D. Safeguarding Funds

- Cash drawer keys must be secured at all times.
- Before closing, all daily cash receipts must be transferred to the library safe until a bank deposit is made.
- Bank deposits must be conducted at least once per week.
- Access to the library safe is restricted to authorized personnel only.

E. Management Controls

- The Library Director is responsible for maintaining internal financial controls and ensuring the proper segregation of duties.
- Staff will receive cash handling procedures and training, with regular reviews and updates as needed.
- All relevant documents, records, and transaction reviews will be maintained following New York State records retention policies.
- The Library Director will regularly compare recorded fees, system cash reports, and bank deposits to ensure consistency and accuracy.

Adopted:

10/12/2017

Revised:

3/19/2025

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