



**Marcellus Free Library**

<b>Policy Name:</b>	<b>Cash Management</b>		
<b>Section #:</b>		<b>Section Title:</b>	Finance
<b>Adopted:</b>	10/12/2017	<b>Reviewed:</b>	

**1. Policy Statement:**

The goal of this policy is to ensure safe and secure handling of money in order to provide reasonable assurance that money is protected from loss by unauthorized use. Strong internal controls also are designed to protect employees from inappropriate charges of mishandling funds. This policy provides guidelines for the receiving, handling, reporting, and disposition of cash and checks by the Marcellus Free Library.

**2. Definitions**

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

Segregation of duties regarding cash handling means that a staff member who accepts money may not be the same as the one who reconciles accounts or who undertakes banking functions.

**3. The Policy**

**Collecting funds --** The library may collect money from patrons for the payment of library obligations (fines, fees, replacement of lost items). It may also collect money for library programs, fax/copy/print usage, and special library promotions such as fund raisers. The library may also collect funds on behalf of the Friends of the Marcellus Free Library, Inc. Any checks or money orders must be made out to "The Marcellus Free Library" for the exact amount of the obligation. The library only accepts checks for the amount due. Checks must be endorsed with "For deposit only Marcellus Free Library" immediately upon receipt.

All funds collected during the day will be placed in a lockable cash drawer at the circulation desk.

The borrowing or taking of cash for any personal benefit is prohibited.

**Recording funds --** Funds for library obligations (fines, fees, replacement of lost items) must be recorded in the library management system. Receipts for these payments will be printed by the system and given to the patron.

Funds received for other library activities (library programs, fax/copy/print usage, other library special promotions, etc.) will be recorded in a manner developed by the library and which has a clear audit trail. Receipts will be given for these transactions.

Money will be placed in labeled bank envelopes and placed in the cash drawer.

Funds received for the "Friends of the Library" will be accepted and placed in a different labeled bank envelope, but the Library will not process or provide receipts for these transactions.



**Reconciling Funds** – A staff member who does not have cash handling responsibilities must be responsible for reconciliation of cash transactions. Discrepancies must be documented and resolved, dated, signed and filed.

**Safeguarding Funds** – Keys to the cash drawer must be kept in a secure location. Before closing each day, all daily cash receipts will be transferred to the library safe until bank deposits are made, which must be done at least once a week. Access to the library safe is limited to specific personnel.

**Management Controls** – The Library Director is responsible for establishing and maintaining an internal control structure that maintains an appropriate segregation of financial duties. Approved cash handling policy, procedures, and guidance will be provided to relevant employees, and regularly reviewed and updated. Appropriate documents, records, and evidence of review regarding cash transactions and transfers will be maintained. These documents will be retained as directed by New York State records retention policy. The Library Director will routinely compare fines recorded with system cash reports and bank deposits to determine if these amounts are consistent.