


<b>Category:</b>	Financial	<b>INCA Community Services Financial Procedure</b>  
<b>Effective Date:</b>		
<b>Reviewed Date:</b>	3/22, 3/23, 3/24, 3/25, 3/26	
<b>Forms:</b>		
<b>Responsible:</b>	Board of Directors, Executive Director, Accounting Department	

## Revenue Receipts

### Financial Guidelines

The Board of Directors formulates financial policies, delegates administration of the financial policies to the Executive Director. The Board of Directors reviews and understands the agency's financial operations and activities. The Board of Directors receive monthly financial statements in order to ensure that the expenditures are monitored and analyzed.

### Receipt of Cash and Checks

The receipt of cash and checks is divided into two general areas:

- **Cash/ Check Collections (Walk -Ins)** - The collection, control and deposit of amounts due to INCA Community Services from cash sales, collections of accounts receivable, donations and other sources that are brought directly to INCA.
  - Only under specific circumstances approved by the Fiscal Officer or Executive Director will cash be accepted as a means of payment. Receipts are issued to the payee for both cash and checks.
  - Receipt books are pre-numbered and 3-part. All cash and checks are placed in a safe along with one copy of the receipt. Only the County Director or approved staff will have access to the safe. Receipts are turned in to bookkeeping on the last business day of the week, regardless of dollar amount by noon.
- **Check Collections (Mail)** — The collection, control and deposit of amounts due to INCA
- from sales, collection of accounts receivables, donations and other sources that are received via US Mail or other service.
  - All mail received by the administrative office, county offices, RAVE, RSVP, Transit and will be delivered unopened to the authorized staff person to collect cash receipts for that county or program. Checks that are received are removed from their envelope and recorded on a check log. The log will indicate:
    - The date received
    - The check date
    - The check number
    - The payee name
    - The amount
    - The initial of staff receiving check
  - Checks are attached to the envelope and placed in the safe until they can be sent to the Administrative Office in Tishomingo. Checks/Cash from the counties and other sites should be sent to the Administrative Office by the last business day by

noon in a sealed envelope with the receipt and log. The authorized person will initial the receipt log.

- **Controls** - The Executive Secretary will remove all cash and checks from the sealed envelope upon receipt from the program or county. The Executive Secretary will immediately stamp "For Deposit Only" and log. The checks/cash will be given to bookkeeping for deposit. The Fiscal Consultant will verify that all cash/receipts has been deposited and accounted for upon reconciliation of bank statements.
- The Accounting Department will perform the following procedures:
  - Prepare deposit slips in duplicate by listing: a) the funding source; b) the general ledger account number to post to; c) the month the funds are for, if applicable; d) the amount of each separate check being deposited.
  - Log the deposit into the accounting folder revenue log and post the deposit into the MIP accounting system.
  - Have the deposit made at the bank by the Executive Director or designee.
  - The supporting documentation for the check, such as the report returned from the funding source, a copy of the check, any correspondence, etc., will be filed in the appropriate cash receipts file. These are filed by grant year, regardless of when received.
  - Drawdown of funds from Payment Management System is done periodically as needed. The amount drawn down is never to exceed what is needed to break even per the trial balance that day. The funds drawn down are to be recorded that day by way of cash receipts into the general ledger for each program that draws down funds. Screenshots are printed during the drawdown showing the person doing the draw and the confirmation of the transaction. Funds are received via ACH transfer in the agency bank account the next business day. ( In accordance with 45 CFR 75.305)
  - The agency prohibits the use of Federal Head Start funds to cover the cost of other funding streams.

### **Tenant Rent Additional Charges Procedures**

Funds will be accepted in the following forms:

- Cash, Check or Money order made payable to: INCA Community Services
- Rent is due on or before the specified date in each rental contract, there will be a late charge of \$25.00 for 10 days late; plus \$5.00 per day will be added to each day after.
- There will be a \$50.00 charge on all returned checks, plus late payment charges. Only money orders will be accepted after a returned check.
- Only residents listed on the original Rental Contract may occupy the unit.
- The prepaid deposit will be returned upon Tenant's vacating if all the provisions of the Rental agreement are completed.(Refer to Rental Agreement for more specifics)
- One key for each different lock will be furnished to the tenant. There will be a \$10.00 charge for lost or additional keys. After the first lockout, the tenant will be charged \$25.00 each time the owner has to gain entry for the tenant.
- The tenant(s) shall keep the lawn mowed and maintained. There will be a \$100.00 charge for owner mowing and maintaining the lawn.

### **Processing Rental Funds Procedures**

- Rental Funds are paid at the local county office. Receipts will be written to each tenant.
- Rent Register form will be filled out and funds will be attached to it.
- Rent Register and funds are sent to INCA's Administrative Office located at 202 South Capitol, Tishomingo, OK 73460.
- INCA Bookkeeper will reconcile rental funds with rent register and receipts, then deposit

funds into INCA Rental Housing Operating Funds.

A file drawer will be designated for each program. Everything relating to a program will be filed in that drawer by contract period. All payment authorization vouchers will be filed by vendor, contract period and program. There will be separate accounting folders maintained for each program. These folders will contain the following items:

- Contract
- Budget
- Reporting Procedures
- General Ledgers
- Statement Of Revenues & Expenditures
- Copy of monthly or quarterly reports
- Copies of checks or money received

Bank statements along with the canceled checks, deposit slips and bank reconciliation will be kept by bank account in binders filed by audit year.

No more than two contract years' activity will remain in the filing cabinets. When it is time to remove a contract year's activity from the filing cabinet, all of the related files and bank statements will be boxed and labeled as to the specific program, the contract year and storage date. The documents will be kept in storage for a period of five years.

### **Transit Fares**

- Drivers who collect fares will collect from riders as they enter or exit the vehicle.
- Drivers are to use the fares established by the agency to determine the amount owed by each rider.
- At the end of the shift drivers are required to follow these procedures:
  - Count the total amount of collected fares.
  - Put the cash in an envelope.
  - Seal the envelope.
  - Write on the envelope the date, amount, driver name, and vehicle number.
  - Write on the Fares Form the same information.
  - Place the envelope in the safe and ensure it is secure.
- Designated staff members are required to open the safe and count the fares on a weekly basis. All fares should align with the envelope recordings and the details listed on the Fares Form.
- All money must be recorded on the Fares Spreadsheet listing the information contained on the envelope and the Fares Form. This will be printed and sent with the total amount of money.
- The total amount of money sent to Bookkeeping will be logged on the Fares - Accounting spreadsheet by the person sending the money.
- Bookkeeping will indicate the amount received on the Fares - Accounting spreadsheet and verify for accuracy, then will deposit into the accounts using the Financial Policies and Procedures.

### **Dissemination of Policy**

The policy will be made available to all employees through the agency's website. The agency will educate and train employees and supervisors regarding the policy and any conduct that could constitute a violation of the policy.