

HARFORD COUNTY HEALTH DEPARTMENT POLICY

Title of Policy: Cash and Checks Policy	
Program Area: Administration	
Approved By: <i>Susan Kelly</i>	Original Effective Date: 3/1/13
Susan Kelly, Health Officer	Revised Dates: 3/31/14

1.0 POLICY

The Harford County Health Department (HCHD) will ensure that payments received for services it provides and funds awarded to support the work of HCHD are processed in a manner that maintains accountability and fiscal integrity, which includes separation of duties and internal audits conducted on a regular basis. All funds, whether received by the HCHD Fiscal Office or by the Division of Environmental Health will be handled according to the procedures in this policy.

2.0 PURPOSE

The policy provides written procedures for the security and accountability of funds (cash and checks) received for services provided by the HCHD and of funds received from outside agencies to support the health department. Two sets of procedures are included: one for funds received by the HCHD Fiscal Office and the other for those received by the Division of Environmental Health.

PROCEDURES FOR NON-ENVIRONMENTAL HEALTH TRANSACTIONS

3.1 Receipt of Checks/Cash through the U.S. Mail

- a. All mail received in the mail room, i.e. mail delivered directly to the HCHD Bel Air mail room, and mail retrieved from the post office box, with the exception of the mail for the Environmental Health Unit (see separate Environmental Health protocol below), will be opened in the mail room by HCHD staff assigned to open the mail.
- b. The staff opening the mail will immediately stamp "For Deposit Only, Harford County Health Department" on all checks received in the mail.
- c. The staff opening the mail will complete a receipt log (attached) for the day, with information about when and from whom the check/cash was received as well as the amount. After completing this log, the staff will immediately take the log along with the funds to the HCHD Fiscal Office where a fiscal staff in charge of receiving cash and checks will check the log against the funds received and will initial the log.

3.2 Deposit of Checks and Cash

- a. Checks and cash received by the mail room and outlying HCHD clinics are brought to and processed by the Fiscal Office each day. Funds from outlying HCHD clinics are transported in a Money Bag and are checked by the Fiscal Office staff that has been designated to receive cash and checks. The designated staff will initial the log for each check or cash amount received from the mail room, document the total amount received from the clinics in the receipt log, and prepare a deposit slip for the funds received.

- b. The designated staff will give the deposit slip and funds to the HCHD courier, who will sign a Deposit Log to document that he/she has received the funds. The courier will then deliver the deposit slip and funds to the bank, where he/she will receive a receipt for the total amount deposited and will then return the receipt to the designated staff. The deposits are made on a daily basis, immediately following the receipt of the funds by the HCHD Fiscal Office.

3.3 Daily Reconciliation of Bank Deposits

The bank receipt and the receipt log, which have been completed for both the HCHD staff opening the mail and by the Fiscal Office staff receiving the funds, will be compared by Fiscal Office staff responsible for reconciliation or by the Financial Officer if the reconciliation staff had been responsible for receipt and deposit of the funds that day. The receipt log is then initialed by the HCHD reconciler to document that the total amount deposited equals the total amount received. The daily reconciliation will be conducted either on the day of the bank deposits or, if the deposits are made late in the day, the following day.

3.4 Monthly Reconciliation of Bank Transactions

A monthly reconciliation comparing all banking transactions during the month and monthly bank statements will be conducted by Fiscal Office staff responsible for reconciliation to ensure that personnel independent of banking functions document the review and approval of monthly bank reconciliations. Based on these monthly reviews, the reconciliation staff will identify and investigate all outstanding checks greater than 90 days old, according to the protocol outlined below.

3.5 Outstanding Checks Protocol

Checks issued on behalf of the Harford County Health Department that have not been cashed after 90 days of issuance will be handled as follows:

- a. The payee will be sent a letter stating that the issued check has not been cashed and, if it is not cashed or no response is received within 30 days of the receipt of the letter, the check will be voided.
- b. If the next bank statement shows that the check is still outstanding and no response has been received from the payee within 60 days of the letter being sent, then the check will be voided.
- c. Funds will be returned to the Maryland Department of Health and Mental Hygiene (DHMH) for those outstanding checks that were drawn on DHMH funds and that have remained uncashed for 180 days.

3.6 Compliance Audits

The HCHD Compliance Officer, independent of the HCHD Fiscal Office and supervised by the HCHD Director of Administration, will conduct random compliance checks, including:

- a. Reviewing the receipt log, bank deposit receipts, check book, and monthly bank statements to ensure that check/cash handling is consistent with HCHD policy and procedures;
- b. Ensuring that the separation of (receipt, deposit and reconciliation) duties is maintained, that bank deposits include all funds received, and that outstanding checks greater than 180 days are investigated and resolved.

PROCEDURES FOR ENVIRONMENTAL HEALTH FEES

NOTE: The Division of Environmental Health does not accept partial payment for services. Full payment is required for all services.

4.1 Food Service Facility License

- a. All Food Service Facility applications and payment are received by the Division of Environment Health's Food Control secretary.
- b. The secretary will stamp "for deposit only" at the time the checks are received by the Division of Environmental Health.
- c. The secretary will record all payments in PatTrac and will generate a receipt. The receipt indicates the amount, type of payment and check number where applicable. The secretary will record the receipt in PatTrac and will attach the receipt to the permit application.
- d. The secretary will immediately deposit any checks or cash received in a safe located in Environmental Health.
- e. Deposits are delivered to Harford County Department of Treasury every two or three days. The deposit includes a deposit slip, a spreadsheet detailing the transactions, and payments. The deposit slips and spreadsheet are stamped by a Harford County Government employee.
- f. The Food Control secretary is the custodian of the deposit slip copies.

4.2 Other Environmental Health Applications

- a. A Division of Environmental Health secretary will be designated to receive all checks and cash received by mail or in the office for applications that are not for Food Facility Licenses.
- b. The designated secretary will stamp "for deposit only" on the back of checks and will record both the cash and checks received in an Excel database.
- c. The secretary will record all payments in PatTrac and will generate a receipt. The receipt indicates the amount, type of payment and check number where applicable. The secretary will record the receipt in PatTrac and will attach the receipt to the permit application.
- d. The secretary will immediately place all checks and cash in a safe located in Environmental Health.
- e. The checks and cash are hand-delivered by an Environmental Health secretary to Harford County Department of Treasury two to three times a week with a copy of the log.
- f. An employee of Harford County Department of Treasury stamps the log and the permit applications, which are then maintained by the Division of Environmental Health;
- g. The log listing all checks and cash received for the month is delivered by an Environmental Health secretary to HCHD Fiscal Office at the end of the month.

4.2 Public Information Requests

- a. Payments for copies of files requested under the Public Information Act are received by the Environmental Health Specialist on office coverage or a secretary and are stored in a lock box located in a safe location near the front counter.
- b. The staff accepting payment will generate a receipt in PatTrac for all Public Information Act request transactions.

- c. At the end of each day, a designated Environmental Health secretary will generate a PatTrac report, with the money in the box compared with the receipt records, and will store the money in a safe by an Environmental Health.
- d. At the end of each week, the payments, receipt report, and a Money Bag Receipt are delivered to the HCHD Fiscal Office by an Environmental Health secretary;
- e. The Money Bag Receipt will be signed by the Fiscal Office staff accepting the funds and will then be filed in Environmental Health.