Money Handling Procedures

Updated by
Jeff Young
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Receiving Funds

- It is preferred that all funds are deposited by appropriate treasurer.
- Receipts should be provided for all monies received with copies kept.
- All accounts, funds and budgets should be clearly identified for bookkeeping purposes.
- Deposit cash at the end of each week, end of each month, and daily when receipts exceed $500.
Receiving Funds Cont.

- Keep all cash on hand in a locked safe overnight; minimum access is recommended.
- Never allow blank signed checks.
- Follow UK Money Handling Procedures.
  1. Don’t permit unauthorized persons in area where cash is being handled.
  3. Don’t leave cash unattended.
Expenditures

- Appropriate treasurer should pay bills only with a payment voucher and a **DETAILED** receipt. UK TRIP System must be used in some instances. See examples in County Extension Office Procedure Manual.


- Extension employees should not sign checks.
Expenditures

- All requests for reimbursement must be submitted to the appropriate Treasurer or through TRIP with **30 days** after expense in incurred.
Accountability Procedures

- Establish a report to inform Agents, District Boards and CEC on all account transactions throughout the year.
- Options of reconciliation of books
  - Outsource bookkeeping to a bonded accounting professional.
  - Bookkeeping may be done by a County Staff Assistant.
  - Maintain a division of duties within the office on receiving funds, writing checks, and reconciliation of the account.
Accountability Cont.

- A computerized auditable bookkeeping system should be adopted.
- Accurate and detailed minutes of District Board meetings are essential for audits.
- Follow KRS 65.065 and/or 65A statutes for accountability.
Advanced Payment for Registration Fees/Travel

- Prior approval by District Director must be granted for advanced payment to be received.
- Staff should use the comment section of the travel authorization system to request prepayment.
- Include the purpose of the travel.
- Attach approved travel request to monthly expense form.
- Employee must seek a refund or credit if illness or personal injury requires a cancelation.

http://ces-manuals.ca.uky.edu/content/money-handling-procedures#advance
Credit/Credit Card Standards for Counties

- Debit cards are not allowed.
- Actions by the District Board should be reflected in the minutes before any credit/credit cards accounts are established.
- Extension District Boards (EDBs) have the option to allow credit/credit card accounts.
- EDBs may impose spending limits.
- EDBs may choose to have one major credit card and/or individual store credit cards and maintain card in office.
- EDBs have the option of issuing one card to the office or multiple cards assigned to each user.
- Credit should be issued in the name of EDB.
- Tax exemption should be by EDBs number, not the University of Kentucky.
- [http://ces-manuals.ca.uky.edu/content/money-handling-procedures#credit](http://ces-manuals.ca.uky.edu/content/money-handling-procedures#credit)
Credit Card Cont.

- Link to obtain tax exempt number
- https://www.irs.gov/Charities-&-Non-Profits/Applying-for-Tax-Exempt-Status
Credit Card Cont.

- **Office Credit Card** must be kept in a locked location in the Extension office and checked out by Extension Staff for purchases.
- Credit Cards identified to individual employees can be kept in the possession of the individual. Users are responsible for any and all purchases with the cards.
- Card should be returned with **a detailed receipt attached** to the payment voucher.
- Check out form - [http://ces-manuals.ca.uky.edu/content/money-handling-procedures](http://ces-manuals.ca.uky.edu/content/money-handling-procedures)
- Voucher form - [http://ces-manuals.ca.uky.edu/content/money-handling-procedures](http://ces-manuals.ca.uky.edu/content/money-handling-procedures)
Credit Card Cont.

- Separate receipts should be made for purchases on different accounts.
- ABSOLUTELY NO PERSONAL PURCHASES!
Guidelines for Audits

- Extension is required by law (KRS 65.065 and KRS 65A) to perform audits, financial statements and attestations on all accounts.
- Follow Department of Local Government (DLG) and UK CES guidelines on completion of Financial Disclosure and Audit requirements.
- Counties with less than $100,000 revenue complete annually a Financial Disclosure Statement and attestation engagement once every 4 years.
Audits Cont.

- Counties with revenues from $100,000 but less than $500,000 must **annually** submit Financial Disclosure Statement and provide DLG with a Certified Public Accountant audit **once every 4 years**.
- Counties with revenues equal to or greater than $500,000 must **annually** submit to DLG both a Financial Disclosure Statement and a Certified Public Accountant audit.
- Follow CES Volunteer Guidelines for audits of these accounts.
  - [http://ces-manuals.ca.uky.edu/content/money-handling-procedures](http://ces-manuals.ca.uky.edu/content/money-handling-procedures)
Results of audit and/or attestation should be reviewed by District Board and audit recommendations should be addressed and recorded in the minutes.

Provide a copy of audit and minutes to District Director.

Audit should be reviewed by the County Extension Council.
Guidelines for Managing Grants

- Approval by District Director is needed for grants $5,000 and above.
- If UK employee is to be hired through grant funds it has to be approved by Dean and the Director of Extension.
- If grant requires agency match (either Extension agent time or facilities) District Director and appropriate Assistant Director need to be involved.
Grants Cont.

- Inform and secure the support of staff in the office, CEC, program councils and District Boards.
- Develop a budget and create a separate account to track funds.
Petty Cash Guidelines

- CEC and District Board can establish the Petty Cash amount usually not greater than $100.
- Oversight of the Petty Cash should be the responsibility of one person in the office.
- Detailed Receipts and cash on hand should always equal the amount established for the fund.

http://ces-manuals.ca.uky.edu/content/money-handling-procedures#petty
Professional Improvement Funds

- Professional improvement funds are intended to be used for expenses for professional association meetings on local, state, and national levels. The funds may also be used for travel and expenses incurred for workshops, meetings and other non credit training opportunities which enhance the employee’s job skills.

- [http://ces-manuals.ca.uky.edu/content/money-handling-procedures#pi-funds](http://ces-manuals.ca.uky.edu/content/money-handling-procedures#pi-funds)
Professional Improvement Cont.

- Professional Improvement funds cannot exceed $3,500 per agent.
- Funding of one trip on professional improvement funds can be prorated over two fiscal years as long as the amount does not exceed $2,000 per year.
- Unused professional improvement funds can not be carried over from one year to the next.
Professional Improvement Cont.

- Claims for using professional improvement funds for travel and expenses must be approved by the District Director.
- Dues to professional organizations can be paid using Professional Improvement funds. (New 2017)
Program Support Funds

- Program support funds must be equally appropriated for each agent.
- Program support funds may be appropriated for program assistants.
- Program support funds may be used for program expansion such as supplies for demonstrations and equipment used to expand a program.
- Must develop budget and provide expense account of funds to treasurer.
Program Support Cont.

- Program support funds should not be used to replace funds needed by program councils.
- Program support funds should not be used to benefit an individual.
- [http://ces-manuals.ca.uky.edu/content/money-handling-procedures#support](http://ces-manuals.ca.uky.edu/content/money-handling-procedures#support)
Reimbursement Guidelines for In-Service Offerings with Academic Credit Option

- Reimbursement on regular county travel funds will be allowed for academic credit classes which are also offered as in-service training opportunities. Costs associated with an academic credit class will be treated in the same manner as reimbursement for expenses for the in-service training.

- [http://ces-manuals.ca.uky.edu/content/money-handling-procedures#reimbursement](http://ces-manuals.ca.uky.edu/content/money-handling-procedures#reimbursement)
Financial Guidelines for CES Volunteer Groups

1. Read and follow guidelines as outlined in the County Extension Office Procedure Manual (located on the Internal website) under the topic “Financial Guidelines for CES Volunteer Groups”.

2. All volunteer groups must report to a Program Council and Program Councils must report to the District Board even if they have 501 C3 status.
Financial Guidelines for CES Volunteer Groups Cont.

3. All Groups are required to present the following to Program Councils or District Board:
   a) Develop a budget
   b) Prepare financial statements
   c) Prepare audit or financial report

4. Agents are responsible to update KERS Tax Exempt Volunteer Entities website with date of completion for each of the above documents.

5. [http://ces-manuals.ca.uky.edu/content/financial-guidelines-ces-county-volunteer-groups](http://ces-manuals.ca.uky.edu/content/financial-guidelines-ces-county-volunteer-groups)