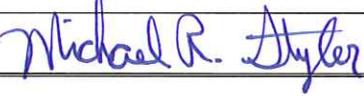


 State of Utah DEPARTMENT OF NATURAL RESOURCES	Ref: NR-14-D-12	Page: 1 of 2
	Effective Date: 07/22/2014	Revision Date: 07/22/2014
POLICIES & PROCEDURES - <i>(Miscellaneous)</i>	Subject: Cash Receipts and Accounts Receivable	
Michael R. Styler, Executive Director	Signature: 	

I. PURPOSE

This policy defines the Department of Natural Resources (DNR) procedures associated with cash receipts and further defines agency responsibility as required by State Finance Policy FIACCT 13-00.00(A)(1) which requires each department to provide good internal controls to ensure all monies received are properly receipted, safeguarded, deposited, and recorded in the State's accounting system (FINET). It also identifies the responsibility of accounts receivable personnel. This policy is intended to strengthen internal controls by ensuring accounting personnel responsible for overseeing billings and RE's are segregated from those physically receiving and handling cash receipts.

II. CASH RECEIPTS POLICY

- A. All mail received by the department should be opened by two people and the contents thereof reviewed for any cash receipts. If there are any cash receipts in the mail, they should be restrictively endorsed with the appropriate stamp and immediately logged into a cash receipt log which contains the date received, name of payer, check number (or receipt number issued if a cash payment), the dollar amount, and the initials of the people logging the receipt. The persons opening the mail and logging the receipts should not have access to record or process receipts in FINET, nor should they be able to process billing invoices and record Cash Receipts (RE's) in FINET.
- B. If cash receipts are received in person at an office, the individual receiving the money should generally be the same person who opens the mail and logs the receipt. When receiving receipts in person, the employee should always issue a pre-numbered receipt to the person paying the money and then follow the procedure outlined above by endorsing the check and logging the amount in the receipt log.
- C. In general, we discourage any employee from taking cash receipts in person when away from the office. If doing so, never take cash. Instead, take a check from the person making the payment and issue them a hand written receipt signed and dated by both the employee and payer. Have the person then place the check in an envelope and seal it. Deliver the check to the person responsible for logging all receipts in the office at which time it follows the procedure outlined herein.
- D. After logging the receipt, the person who received the money should immediately deliver the funds to the person responsible to prepare the bank deposit. All funds should be adequately safeguarded in a locked box limited to only those who have authorization to access the cash receipts and kept in an area with limited access until the bank deposit is made. By Statute, all bank deposits should be made at least every three business days.
- E. A person separate from receiving the cash receipt, making the deposit, and recording the CR in FINET should then review and approve the CR transaction in FINET after comparing the amount and other pertinent information with the receipt log and validated bank deposit slip and/or bank statement. If all items are correct, this person should record in the receipt log the date they reviewed the CR and their initials supporting the accurate recording of each receipt.



 State of Utah DEPARTMENT OF NATURAL RESOURCES	Ref: NR-14-D-12	Page: 2 of 2
	Effective Date: 07/22/2014	Revision Date: 07/22/2014
POLICIES & PROCEDURES - <i>(Miscellaneous)</i>	Subject: Cash Receipts and Accounts Receivable	
Michael R. Styler, Executive Director	Signature:	

III. ACCOUNTS RECEIVABLE POLICY

- A. All billings generated by department personnel should be sent to an assigned accounting person to generate the appropriate invoice and record the RE in FINET. This person should not have access to cash receipts or be involved in the cash receipting process nor have access to record cash receipt CR's in FINET.

- B. All invoices generated by this person with all essential information to support the invoice should be sent to a supervisor who reviews the documentation for completeness and accuracy and compares it to the RE for approval, signing the invoice indicating approval it can be sent to the entity being billed. The person reviewing the billing should never be involved with physically receiving or handling cash receipts.

