

**CAROLINAS COLLEGE OF HEALTH SCIENCES
POLICY AND PROCEDURE**

Section III - Business/Finance

SUBJECT: CHANGE FUND AND COLLECTIONS

REVIEWER(S): Dean of *Administrative and Financial Services*

Related Policies to Consult:

CHS Policy: [FIN 400.03 Change Fund and Collections](#)

I. POLICY

The following policy is to establish accountability and control over the change funds and collections in accordance with the Carolinas Healthcare System (CHS) policy FIN 400.03. These procedures must be in accordance with the departments' administrative officer, cash management, and Carolinas Healthcare System.

II. PROCEDURE

A. Change Fund and Collections

1. Employees handling the change fund will sign an Acknowledgement of Receipt Form (Exhibit I) to indicate they have received and understand this policy and its procedures.
2. All monies will be maintained in secure locations at all times. Access to the fund will be restricted to those people authorized to handle cash only. Cash management will be notified of any significant shortages.
3. Random audits of the change fund will be performed throughout the year by the manager or designee in the presence of the responsible custodian. One audit will be performed in the first six months reported to CHS Cash Management. The results of audits are to verify the integrity of the change fund (Exhibit II) and to determine compliance with this policy (Exhibit III).
4. In the event of a forcible attempt by others to steal monies, employees are advised not to offer resistance and to surrender funds. The Carolinas HealthCare System security office must be notified immediately in order to complete an incident report.
5. As a standard internal control, employees with custodial cash responsibilities are required to schedule a minimum of five consecutive days off annually for vacation. Supervisors will have the responsibility of monitoring the leave time to ensure the required time off is being taken accordingly. Employees will have the option of taking PTO or absent time for this five-day period.

B. All cashiers will be given a copy of this policy. The policy will be discussed with all current cashiers when it is issued and new cashiers as they are employed.

C. Cashier Procedures Are As Follows:

1. All sales will be promptly recorded.
2. No disbursements (except refund to customers) will ever be made from the change fund and collections.
3. All checks will be restrictively endorsed upon receipt.
4. The cashier will document the amount and reason for all refunds and obtain the customer's signature to acknowledge receipt of the refund. The slip must be placed with the deposit after the reason is documented.
5. Access to the keys to the cash box will be restricted to the manager or their designee.

D. Deposit Reconciliation

1. The cashier will complete the Deposit Reconciliation form (Exhibit V) as follows (at the end of the business day):
 - Record the current day's date.
 - Count and record the cash in the drawer.
 - Calculate and record the total of the checks in the drawer.
 - Add the cash and checks and record total monies.
 - Count out and secure the amount of the change fund. Record the change fund amount.
 - Subtract the change fund from total monies and record the amount to be deposited.

- Record the total of the current day's credit card receipts.
 - Add the monies to be deposited and credit card receipts and record the total collections.
 - Sign and date the reconciliation.
2. The deposit will be made as follows:
 - A bank deposit slip listing the totals of the currency, coins, checks, and the total amount to be deposited will be prepared by the cashier. An original and two carbon copies of the deposit slip will be prepared. The deposit slip must also clearly show the department making the deposit and the bank bag number.
 - The original deposit slip, the money, and checks to be deposited will be secured in a sealed moneybag.
 - The original copy of the deposit reconciliation and one copy of the deposit slip will be mailed to corporate accounting monthly.
 3. Manager Review
 - All reconciliations will be thoroughly reviewed by the dean of *administrative and financial services* or designee to ensure all calculations are correct and that proper documentation exists in support of all recorded amounts and to ensure the procedures at closeout and reconciliation were performed accurately. Reconciliations reviewed by the manager should be signed to document their review.
 4. Reporting to Cash Management
 - The manager will notify cash management in writing of any routinely occurring performance problems that management has been unable to resolve.
 - Cash management will review and discuss with management their reports on routinely occurring problems to determine what control procedures should be implemented.

E. *The Change Fund and Collections policy and procedure will be reviewed bi-annually.*

III. APPROVAL

Name: _____ Title: President Date: _____

EXHIBIT I

**CAROLINAS HEALTHCARE SYSTEM
CAROLINAS COLLEGE OF HEALTH SCIENCES**

CHANGE FUND

ACKNOWLEDGEMENT OF RECEIPT

I acknowledge receipt of the \$_____ in funds assigned to me. I agree to exercise accountability and control over this money and all collections in accordance with the Carolinas Healthcare System policies and procedures. A copy of the Change Fund & Collections Policy was given to me and discussed on _____.

Facility

Custodian

Manager/Supervisor

Date

EXHIBIT II
CAROLINAS HEALTHCARE SYSTEM
CAROLINAS COLLEGE OF HEALTH SCIENCES
CHANGE FUND

SEMI-ANNUAL CASH AUDIT

Facility Name: _____

Custodian's Name: _____

Date: _____

Audited by: _____

Phone #: _____

Received by: _____

Date: _____

Authorized Amount of Change Fund \$ _____

Currency \$ _____

Coin \$ _____

Checks \$ _____

Credit Cards \$ _____

Audit Subtotal \$ _____

Less change fund (authorized amount above): \$ _____

Total of payments received since last deposit: \$ _____
(Should agree to cash receipts journal or encounter forms)

Difference (should be zero): \$ _____

Encounter forms: Beginning # _____ Ending # _____

Receipt numbers: Beginning # _____ Ending # _____

Note: Any difference and any missing encounter forms or receipt numbers above should be explained below.

EXHIBIT III
CAROLINAS HEALTHCARE SYSTEM
CAROLINAS COLLEGE OF HEALTH SCIENCES
CHANGE FUND

INTERNAL CONTROL QUESTIONNAIRE

Facility/Department: _____

Manager: _____

Cashier: _____

Date: _____

ACKNOWLEDGEMENT OF FUNDS	YES	NO	IF NO, EXPLAIN
Are Acknowledgement of Receipt forms on file for employees permanently assigned to funds and given to all employees to indicate they have received a copy of these procedures?			
Are overages/shortages and any errors tracked for each cashier?			
Are all copies of voided Encounter forms, receipts or cash register receipts being marked "void" and retained?			
SECURITY			
Is the change fund drawer or cash box locked, and is access to the key limited to cashiers and managers?			
Based on your observation, is the cash drawer locked and the key removed when left unattended by the cashier?			
If your facility has a cash register, is the key to obtain the cumulative grand total restricted to the manager?			
Is the numerical sequence of the encounter forms/receipts received from the printer documented?			
Within the past year, have all employees with custodial cash responsibilities taken five consecutive days off?			

EXHIBIT IV
CAROLINAS HEALTHCARE SYSTEM
CAROLINAS COLLEGE OF HEALTH SCIENCES
CHANGE FUND

DEPOSIT RECONCILIATION

Date: _____

BUSINESS UNIT: 1000

DEPARTMENT: 696000

Cash:		_____
Checks:		_____
Amount to be Deposited:		_____
Credit Card Payments:		_____
Total Collected:		_____
Less Total per Trial Balance (below):		_____
Difference:	over	(short) _____

DISTRIBUTION AND TRIAL BALANCE

<p>1000-194390 Student Loans Receivable</p> <hr/> <p>1000-194390 Delinquent Loans - CCHS</p> <hr/> <p>1000-152700 CHS Loan Payment</p> <hr/> <p>1000-151000 Self-Pay Receivable</p> <hr/> <p>Spring 2011</p> <hr/> <p>1000-341500-401900 Misc. Sales</p> <hr/>	<p>1000-696000-403800 Application Fees</p> <hr/> <p>1000-220200 Tuition Deposits</p> <hr/> <p>1000-696000-401900 Other Operating Revenue</p> <hr/> <p>1000-696000-402250 Con Ed Tuition</p> <hr/> <p>Nurse Aide, Phlebotomy, etc.</p> <hr/> <p>1000-696000-405000 Trans. Revenue</p> <hr/>
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Prepared by: _____

Date: _____

Approved by: _____

Date: _____