

FINANCIAL TRANSACTIONS

STANDARD NO(S): NYSSACD # 61, 63,-64, 71, 107,
112-119

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I. OBJECTIVE:

To establish and maintain strict controls, close supervision and internal monitoring of all financial transactions by the Civil Division. The Division will establish procedures for issuance of receipts, check cashing, refunds, transfers of funds between employees, bank deposits, acceptance of personal checks and making disbursements by Civil Division Personnel.

The Seneca County Sheriff ultimately has the authority and responsibility for the fiscal management of the Civil Division. Because the Sheriff does not personally perform the fiscal management function, this responsibility is delegated to the Civil Officer under the guidance and supervision of the Fiscal Service Manager.

II. DETAILS:

A. Definitions -

1. Cash Receipts Summary – Daily total receipts posted to current enforcement instruments and any fees collected for new process.
2. Cash Receipts Executions – Listing of all account payments processed for that day by date, payment amount, source, type of payment, check number and receipt number.
3. Cash Receipts Non-Executions – Listing of all file payments processed for that day. Listing by date, receipt number, check number, source, and amount.
4. Cash Fund – Any cash transactions received during a business day.
5. Civil Cash Report – Total cash and checks processed by the Civil Division in one (1) business day.

6. County Cash Report – Report of all monies to the County Treasurer’s Office.
7. Check Journal – Reports generated from the civil computer system, listing and totaling all payments or refunds.

B. Issuance of Receipts –

1. All monetary transactions shall be receipted.
2. Receipts shall contain the date received, amount received, file number, which identifies the purpose of receiving the money and the form of money received. The Civil Clerk and the Civil Officer are authorized to issue receipts.
3. Receipts are generated by the civil process computer system.
 - a. After the receipts are recorded for the daily deposit, they are stored in a manila folder bearing that business day’s date in the Civil Clerk’s Office. These folders remain on file for one (1) year, and are then transferred to the Sheriff’s inactive records storage facility.
 - b. A receipt is issued upon request, for documents received through the mail and then mailed to the payer.
4. Daily receipts shall be summarized monthly by the Civil Clerk and submitted to the Civil Officer for review. This summary shall include daily deposit totals of cash and checks that have been received.

C. Collection of money and property in the field –

1. Field collections are strictly prohibited except for the purpose of enforcing civil process directed to the Sheriff’s Civil Division.
2. Collection of property in the field is received and inventoried in accordance with written directive “**Orders of Seizure**” and other directives that pertain to seizure of property.
3. Civil Division Deputies are authorized to collect money for the purpose of enforcing civil processes in the field. Civil Division deputies who will be making money collections must receive the money on a Property Receipt/Evidence Log & Tracking Sheet and request a pay off amount from the Civil Clerk.
4. Upon concluding the collection transaction in the field, the Civil Division Deputy must issue the payer the receipt copy of the Property Receipt/Evidence Log & Tracking Sheet. The acceptable form of payment is cash, money order or certified bank check. This money will

5. Upon return to the office the Civil Division Deputy must turn any monies collected along with the Property Receipt/Evidence Log & Tracking Sheet to the Civil Clerk or Civil Officer. They shall verify the amount collected, enter money into the civil process computer system and generate a receipt.

D. Check cashing –

1. Checks and other negotiable instruments shall not be cashed from any funds in the official custody of the Seneca County Sheriff's Office Civil Division or its employees. Checks received for civil process fees shall be endorsed upon receipt by the Civil Office.
 - a. These checks are processed by receipting and applying to accounts during the day by the Civil Office and shall be placed in the office safe at the end of the day.
 - b. Checks shall be locked in the office safe when the office is closed.
 - c. Personal checks are not to be accepted unless they are:
 - i. Attorney, employer, certified bank checks or money orders.
 - ii. Checks from persons acting as their own attorney, to cover civil fees and expenses.
 - d. Returned checks are deducted from the appropriate account.
 - i. Verified for available funds with the appropriate bank by the Civil Office for re-deposit.
 - ii. If funds are available the payment is re-applied to the appropriate account.
 - iii. The payer is notified by phone and letter of a \$30.00 bad check charge that is processed as a fee.
 - iv. This is followed up one week later by the Civil Clerk to ensure receipt of the \$30.00.
 - v. If we have not received the payment another letter follows and then it is turned over to the Civil Officer for further requests.

- vi. If the bank verification shows the funds are not available the payer is also notified to make the check good by cash, money order or certified check.
- e. Checks received that are not capable of processing, such as wrong payee, no signature, wrong totals, etc. are returned to sender with the reason.

E. Refunds –

1. Refunds shall be made only by issuance of a check from the civil checking account by using the following steps:
 - a. Each month a detailed report is generated by the civil computer system listing all disbursements to attorneys and any refunds created by over-payments, bankruptcies, vacated judgments or any other order from the court.
 - b. If there are no other open accounts, a check will be issued to the debtor noting the check number and issue date on the detail. Funds received in one month are disbursed the following month.
 - c. If the debtor's refund check is returned undeliverable the check is sent to the debtor in care of the employer.
 - d. All refund checks are signed by the Civil Officer.

F. Transfer of Funds between Employees –

1. Whenever an employee transfers money or other monetary instruments to another employee, other than field collections, the receiving employee shall count the funds received in the presence of the transferring employee.

G. Bank Deposit –

1. Currency and other monetary instruments received, shall be deposited in a secure bank bag before the close of the business day following the day in which such funds were received. The daily deposit will be prepared by the Civil Clerk, in the following manner:
 - a. Total checks and cash processed that day and verified against the Cash Receipts Summary.
 - i. If deposit total does not balance to the cash receipts summary totals, the Civil Clerk must reconcile that day's business to find the error and make the appropriate corrections necessary to balance. The Civil Officer will verify any corrections made.

- ii. If discrepancies are unresolved the Fiscal Service Manager shall be notified and a copy of the report is forwarded to him.
- b. The deposit slip is prepared and placed with the checks and cash in a secure deposit bag.
- c. The deposit bag is locked in the office safe until it is taken to the bank on the next business day by the Civil Division Deputy or in his absence, the Civil Officer.
- d. Copies of the adding machine tape totals of checks and copies of the deposit slips and the cash receipts summary are kept on file in the Civil Office.
- e. After the deposit is made the customer advise slip, stamped by the bank showing the amount of deposit is kept by the Civil Clerk in the deposit folder.
- f. Any correspondence with the bank concerning the account will be handled by the Civil Officer.

H. Disbursement –

1. Disbursements shall only be made by issuance of a check from the officially authorized checking account. Funds received in one month are disbursed the following month, unless otherwise directed by a court order.
 - a. Each month a check journal is generated by the civil computer system, listing all disbursements to attorneys, monies due the County Treasurer and any refunds created by an overpayment the previous month. A copy of this journal is filed in the Civil Office.
 - b. The individual check journals are sent with an attached check. This shall contain the name of the payee, the check number, the date of disbursement, the civil file number, the total amount due each payee and the total amount of disbursement.
 - c. Disbursement checks shall be authorized and issued by the Civil Officer and recorded in the QuickBooks check register listing the date issued, payee and amount. A computer generated pre-check will be verified by the Civil Officer and total disbursements balanced, before checks are printed. Disbursement checks shall be computer generated and signed by the Civil Officer.

- d. A check will be issued each month for poundage, mileage and fees collected by the Civil Process Division and due the county in the same manner as other disbursements. This check will be delivered to the County Treasurer's Office by the Civil Officer.
- e. All disbursement checks will be reviewed for accuracy, correct payee and amount before the Civil Officer's signature is applied.
- f. Checks that have not yet been cashed are listed each month on the outstanding check report and reconciled to the monthly bank statement. Undeliverable checks are sent to debtor in care of their employer. If attorney checks are undeliverable, the attorney is notified, address verified and resent.
- g. The bank account controlled by the Civil Office shall be reconciled monthly by the Fiscal Services Manager, no later than the 10th day of the month following the monthly receipts and disbursements, the adjusted bank balance, a list of outstanding checks and deposits in transit, any other adjustments and analysis of the cash balances.
- h. This analysis shall be used to generate a report which will include the amount due to the County Treasurer's Office and the total cash balance on hand due litigants and other persons. Copies of this report are submitted to the Sheriff, Undersheriff, Chief Deputy and Fiscal Services Manager.
- i. A record of checks disbursed can be accessed by opening the QuickBooks computer software in the civil computer system..

I. Accounting Procedures –

1. Subsidiary Ledgers

- a. The Civil Office, through the use of the Sheriff's Civil Process computer program, will maintain a separate subsidiary ledger for every enforcement instrument upon which collections are made. These ledgers shall contain a detailed record of the dates and amounts of all collections and disbursements applicable to the particular enforcement instrument. They shall also include all applicable interest dates, and calculated interest amounts, amounts collected toward the principal and amounts collected as fees. Such subsidiary records shall also include a summary of the total amounts of collections applied to the principal on judgments, the total interest collected, fees and expenses collected and disbursed.

These subsidiary ledgers can be found by accessing each individual account number in the civil process computer system. Each fee for service and account payment that has been entered can be found by entering the account number and accessing the file ledger card.

- b. Cash reports shall be prepared daily by the Civil Clerk, and include documentation of monies received for deposit by the Civil Division. These reports shall be verified by the Civil Officer.
- c. A monthly Cash report shall be prepared by the Civil Officer, and include documentation of all monies received for deposit by the Civil Division. Such report shall be transmitted to the Sheriff by the bookkeeper by the 10th of the month following the reporting period.
- d. The Civil Officer shall prepare a yearly report verified by the Fiscal Services Manager and submitted to the Sheriff on or before the 15th day of January. This report shall consist of all fines, penalties, fees or other monies collected during the prior fiscal year that were due the Sheriff upon collection. Such directive shall require the Sheriff to transmit this report to the Board of Supervisors or legislature by the 1st day of February.

J. Security –

- 1. The Civil Officer shall be responsible for Division security by establishing security procedures and conducting periodic reviews to ensure compliance.
 - a. All funds not yet deposited and in the hands of employees shall be strictly accounted for. Employees shall not leave these funds unattended nor shall they voluntarily relinquish control of such funds to unauthorized persons.
 - b. A safe shall be provided for the safe keeping of currency and other monetary instruments. Employees who are entrusted with the combinations shall maintain strict control over said combinations at all times, and they shall not relinquish control to unauthorized employees. Theft, destruction or other losses must be reported immediately, as well as the discovery of any improper or suspicious additions or deletions to any reports, documents, checks, written instruments or computer generated records. A proper investigation concerning all aspects of the theft, loss or destruction shall be conducted as follows:

- i. If the theft, loss, destruction or discrepancy as noted in (b) above occurred as a result of an SCSO employee's conduct, an internal investigation must be conducted in accordance with SCSO Procedures.
 - ii. If the theft, loss, destruction or discrepancy as noted in (b) above did not occur as a result of an SCSO employee's conduct, an investigation will be conducted in accordance with the procedures for criminal/non-criminal investigations.
 - iii. When an employee who was entrusted with a combination leaves our employment, the combination will be changed.
- c. All blank pre-numbered checks and deposit slips shall be inventoried monthly by the Civil Officer. Supplies of such forms shall be secured in the secured file cabinet or safe in the Civil Office.
- d. At the start of the business day the Civil Clerk or Civil Officer shall open the office safe and remove the deposit bank bag and verify the amount before sending it to the bank with the Civil Division Deputy. At the close of the business day, monies received during the course of the business day will be verified and locked in the office safe by the Civil Clerk or the Civil Officer..

K. Internal Controls –

1. Civil Office Position Responsibilities:

- a. The Civil Clerk reconciles daily receipts (daily cash reports) with the daily computer cash receipts summary totals and prepares the daily deposit. Errors and discrepancies are reported to the Civil Officer.
- b. The bank deposit is reviewed by the Civil Officer by re-adding the daily cash report and comparing to the total of the cash receipt summary for that day. The review is to ensure that receipt totals are accounted for, cash and checks totals are correct, and the totals are correctly entered on the deposit slip. Errors and discrepancies are reported to the Chief Deputy and the Fiscal Service Manager no later than the next business day. After the deposit is made, a copy of the deposit slip is attached to the cash report.

- c. The Civil Division checking account is reconciled monthly by the Fiscal Service Manager, verifying that all deposits, withdrawals, canceled checks, returned checks and any other credits or debits have been posted correctly on the monthly bank statement. Any outstanding checks or deposits in transit are also accounted for. Errors and discrepancies are reported to the Chief Deputy no later than the next business day.
- d. Every position in the Civil Division is backed up in case of their absence by the Civil Officer. In the event of an extended absence by the Civil Officer, other trained SCSO personnel will be assigned to oversee the Division operations.