



SchoolFood

Cash Handling & Reporting

Manual

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Prepared by OSSS Finance Department

SchoolFood Cash Handling & Reporting Manual

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Introduction:

SchoolFood's goal is to feed healthy and nutritious meals to the students in New York City's schools. Under a provision of the Federal statutes, SchoolFood has elected to provide meals to all students without the imposition of a student fee. SchoolFood will continue to provide Adult meals and will continue to require cash payments for these meals. This manual contains the instructions and forms used in the collection of the cash related to Adult meals served and the safeguarding and recordkeeping of those funds.

Purpose:

This manual is for those individuals who are either responsible for the collection of funds related to the sale of Adult meals in the cafeteria, the recording of the cash related to those sales or remittance of the cash to the Controller's office at Vernon Boulevard. This manual will assist you, the reader, in understanding:

- 1) What needs to be done;
- 2) When it needs to be done;
- 3) How it should be done; and
- 4) Whom to call if you have questions.

What needs to be done?

SchoolFood receives cash for the sale of Adult meals. This cash needs to be counted, recorded and safeguarded until it is deposited into a bank account. Cash receipts from the sale of Adult Meals are recorded on a SF-2 Form. An example of a completed SF-2 Form is included in the Exhibit section of this manual (Exhibit A).

Why we need to do this?

The DOE is a participant in the National School Lunch Program and has agreed to:

- Serve lunches meeting the minimum nutritional requirements prescribed by the USDA;
- Serve meals to all students without charge;
- Operate the program on a non-profit basis.
- Maintain proper records of all receipts and expenditures and submit reports to the State agency as required.

The DOE is required to maintain records of all cash receipts and to record those receipts in its records.

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Collecting and Recording Cash from Adult Meals:

In some schools, adults participate in the breakfast and/or lunch program. Payments for adult meals are always paid with cash (even when a ticket is received representing cash paid at the principal's office – see Exhibit C for a sample of the Adult Meal Payment receipt).

The cash handling procedures will differ depending on how cash from the sale of Adult Meals are collected at your school. There are schools where SchoolFood personnel are not involved in the collection of cash and this cash is collected and safeguarded by the school administration. At other schools, SchoolFood personnel are responsible for collecting, recording and handling cash. These cash receipts are collected either at a POS terminal or at the cash register in schools without POS.

How It Should Be Done

Handling Cash in the Cafeteria:

The very first step in cash handling is the completion of the Cash Collection questions in the Administrative section in the Online User System ("OUS"). A sample page of the OUS page can be found in Exhibit "F" of this document.

Cash collected from all SchoolFood sales are to be kept in a safe. All money collected in the cafeteria must be kept in a safe that is locked at all times. Where the cafeteria does not have a safe, money is to be retained in the school's safe. Cash must not be hidden in file cabinets, desk drawers, storerooms, refrigerators, freezers or any other areas. Any SchoolFood checkbooks and checks awaiting deposit must also remain secured in the safe.

General Cash Handling Guidelines:

1. Only the SFSM or those individuals authorized by the SFSM to remove or place money into the safe must know the safe's combination. The combination to the safe must be memorized. It is not to be written down. The safe should only be used by personnel authorized by the SFSM. Whenever possible, there should be one person opening/closing the safe and the other authorized person should be present as a witness. When staff who handle cash leave the school permanently, the combination to the safe is to be changed.
2. Cash receipts are to be counted by the cashier(s) and one other person in a private locked room (such as the Manager's office). The only persons authorized to have keys for this area are the Manager or the Manager's designee when the Manager is not present and the principal. In addition, all doors leading into the kitchen and/or serving area will be locked until serving time and shall be relocked immediately upon completion of service.
3. The cashier and the other person assigned to cash handling will each independently count the cash on hand (including any change fund). The cashier will record the number/value of bills and coins by denomination on a tally sheet. After the cashier confirms each total, the designated

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person will record the denominations of bills and coins on the "Daily Proof of Cash" (DPC) Form (See Exhibit "G").

4. A final count is made of the cash receipts for the day to verify the amounts shown on the DPC. Upon completion of the verification, the cashier will sign (not initial) the DPC for his/her station. When all stations have been accounted for, the person assigned computes all totals on the DPC and will sign the form using ink.

5. All cafeterias involved in cash handling must use a cash drawer or cash register unless the school utilizes POS and does not accept cash on the line. At the end of the day, cash registers are to be closed out (totaled) by someone other than the cashier. Anyone who collects cash, counts cash or prepares the "Daily Proof of Cash ("DPC") Form" may not read the registers or handle register tapes until the receipts are recorded on the DPC Form.

Instructions for Recording the Daily Cafeteria Cash Receipts:

1. The daily cash collected must be recorded in the proper category on the SF-2 Form as Adult meals. Instructions for completing the SF-2 Form can be viewed in Exhibit "B" of this document.

2. Cafeteria staff, in schools without bank accounts exclusively for food service receipts, will turn over their daily receipts to the school treasurer or the Principal's designee. The school treasurer or the Principal's designee will count the money in the assigned person's presence and verify the receipt by signing the Cafeteria Cash Receipt Form (Exhibit "H") for the cash received (this receipt must be stapled to the DPC and kept on file at the school).

3. Cafeteria staff, in schools with bank collection accounts exclusively for food service receipts, will place the day's deposit slip and day's receipts in a deposit previously bag provided by the courier and seal it. The sealed bag will be stored in the locked safe until the deposit date.

4. On the scheduled courier service date, all sealed bags of money and deposit slips are to be given to the security courier.

5. For those cafeterias in schools for which SchoolFood provides courier service, deposits will be picked up and transported to the bank by the contracted armored car service. The armored car service will provide the Manager with a receipt listing the corresponding number of the sealed bag(s).

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Reconciliation of the Cash Collected to the Bank Deposit and Bank Statement:

In schools where SchoolFood personnel are responsible for the collection of cash, the following activities are performed:

1. Upon receipt of the verification of deposit from the bank, the SFSM compares the amount from the bank deposit receipt to the DPC Form.

Any differences between the amount on the DPC form and the bank receipt must be investigated immediately. If the differences remain, the District Supervisor is to be notified. If the differences are then still not resolved, the discrepancy must be brought to the attention of the Borough Coordinator. These steps must occur within the same day the deposit slips are returned to the school from the bank. The deposit slips should be initialed and dated when reconciled.

2. Bank Reconciliations. Individuals responsible for the handling and recording of cash transactions must not perform the bank account reconciliation (in schools that have SchoolFood bank accounts). This reconciliation is to be done by the SFSM.

3. SFSM's are assigned the responsibility for performing all bank reconciliations. The SchoolFood Bank Reconciliation Statement (Exhibit "E") is used for this purpose. SchoolFood employees cannot be a signatory on the SchoolFood bank account. Detailed instructions are included within the document itself.

4. The bank reconciliation must be done within three working days after receipt of the monthly bank statement. If the monthly bank statement is not received on a timely basis, a duplicate monthly statement should be requested from the bank. Copies of the bank statement and the completed SchoolFood Bank Reconciliation Statement are to be sent to the District Field Office for review within ten working days from the date statement is received.

5. The District Supervisor will review, initial and date all bank reconciliations. This review must be conducted within two working days from the date received from the school. The district supervisor will review all new bank reconciliations with the Manager the next time the supervisor visits a school. The supervisor is assigned the responsibility for ensuring that all required adjustments have been recorded on a timely basis

6. Reporting of Thefts. A theft must be reported immediately to the principal who will report it to the local police precinct. The theft must also be reported to the District Supervisor via the District Field Office and they will prepare and submit an occurrence report with the circumstances of the theft, the amount missing, the local police precinct notified, case number and other pertinent information. All thefts must also be reported to the Office of the Special Commissioner of Investigations (SCI), utilizing the intake phone number (212-510-1500). Obtain a log number for your report and forward all pertinent information to Ms. Lorraine Burke at Lburke@schools.nyc.gov.

Further details on this requirement are in Ms. Burke's memorandum to District Field Offices.

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Preparing the Weekly SF-2 Form

All cash receipts are recorded on a SF-2 Form. How the SF-2 Form is prepared will depend on whether or not your school is using a POS (“Point of Sale”) system. If there has been no cash collected during the period, the SF-2 Form will be submitted containing zeros. As most schools are using the POS System, this will be described first.

If SchoolFood Collects the Cash in the Cafeteria:

The POS System will already have prepared most of the form by capturing and recording the daily sales of the Adult meals at the POS terminal. All that is required is to enter the amount of the cash (or check) received, if any. On the SF-2 Form, you must enter the Check / money order #, the date and amount of the check on the form. Then press submit. Send the check to the District Field Office. If no cash has been received, enter zero as cash deposited and press Submit. Done!

If the School Administration collects the cash:

The POS System will already have prepared most of the form by capturing and recording the sales of the Adult meals daily into the POS terminal. All that is required is to enter the check number, check date and amount of the check (dollars) received from the Principal’s office into the POS system’s SF-2 Form. Press submit. Send the check to the District Field Office. Done!

Preparing the Weekly SF-2 Form without a POS System:

At schools where SchoolFood is responsible for collecting cash:

1. Prepare a Weekly Cash Receipt Worksheet (SF-2 Form) using Friday as the week ending date. The form is found within SOFA .
2. Enter the amount collected for Adult meals in the appropriate daily column(s).
3. The amount of cash received for each day is automatically added by SOFA. If your building contains several different SF Codes, each SF Code will have its own weekly SF-2 Form. One check can be sent to the Field Office for the sum of the cash to be remitted. It is not necessary to submit checks from each of the SF Codes.
4. If no cash has been collected during the week, place a zero in the “cash deposited field” This will cause an “over / under” condition.
5. If you have money to send to Vernon Boulevard, prepare a check payable to NYC DOE SchoolFood for the total amount indicated on the SF-2 Form (“Weekly Cash Receipts Worksheet”).
6. Make a copy of the check for your records. Press “Submit” on the electronic form and send the check to the District Field Office. Done!

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At schools where SchoolFood is not responsible for collecting cash:

1. Prepare a Weekly Cash Receipt Worksheet (SF-2 Form) using Friday as the week ending date.
2. Enter the amount of daily Adult sales on the SF-2 Form.
3. If the school administration gives you a check, enter the check number, check date and amount and then press "Submit". Send the check to the District Field office. If your building contains several different SF Codes, each SF Code will have its own weekly SF-2 Form. One check can be sent to the District Field Office for the sum of the cash remitted. It is not necessary to submit separate checks from each of the SF Codes. If no cash was collected, enter zero cash deposited and submit.

Recording Adjustments to Cash Received on the SF-2 Form

In schools where SchoolFood is responsible for the handling of cash, there are certain activities that occur during the normal course of business where the amount of cash received in the cafeteria is not remitted/deposited. These activities are to be recorded in the "Adjustments section" of the SF-2 Form. Acceptable adjustments include:

1. Bank fees. While these fees are not cash payments, the bank may charge the bank account for activity fees or deposit slips and these amounts (deducted from the bank account) need to be reflected on the SF-2 Form so they can properly be recorded in SchoolFood's records.
2. Theft. As noted above, thefts must be promptly reported. Any cash missing is noted as a deduction on the SF-2 Form.
3. Counterfeit Currency. In the event that cash which had been deposited into the SchoolFood bank account is determined by the bank to be counterfeit, the bank will notify SchoolFood and adjust the amount of the deposit. This debit advice from the bank should be retained and the amount of the adjustment recorded on the SF-2 Form.

District Field Office Procedures

The District Field Office personnel are responsible for the initial review of both the SF-2 Form (Weekly Cash Receipt Worksheet) as well as the SF-1 Form (Report of Meals Served) for accuracy and completeness after completion by the SFSM. After the District Office review has been completed, the forms are approved so they may be sent to the Accounting Department electronically.

District office personnel are also responsible for monitoring the delinquency status of any SF-1 and SF-2 Forms not yet been submitted to their office. The listing of delinquent forms, by school and by district are viewable within the SOFA system.

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Frequently Asked Questions and Answers

Listed below are frequently asked questions and the related answers about cash handling and reporting. If you do not see your question here, please call your Manager or District Supervisor. If you are using a POS system, you can call the POS Help Desk at 1-800 Help ME.

Q. Will I need to prepare a paper SF-1 or SF-2 Form?

A. The SF-1 Form is already an electronic form and is in the SOFA system. In the fall of 2017, the SF-2 form will be converted to an electronic version for POS users. The new SF-2 Forms will also be in the SOFA system.

Q. How often will I have to prepare the SF-2 Form?

A. The Weekly Report of Cash Receipts should be prepared weekly.

Q. The Charter school where I work gives me a check for the Adult meals. What do I do?

A. These funds are handled the same way as at a school where the administration or the teachers give you a check or pay on the line. Record the meals and cash on the SF-2 Form. Send a check to Accounting and press Submit.

Q. Why are my schools listed as delinquent? Why can't I submit the form?

A. The most common situation for not being able to submit a SF-2 form which has been prepared is because there has been an amount recorded as having been deposited but no check information was noted on the SF-2 Form. If you are not sending cash, do not record that the cash was collected.

Q. How are pick-ups scheduled? Why is no one coming to pick up my cash?

A. The frequency of cash pickups at schools is currently being adjusted. Generally, if your cash collected is less than \$500.00, there will be no pick-up scheduled.

Q. What do I do if the bank wants to close my account because of low activity?

A. The bank is not authorized to close your account. The DOE has a bank liaison who should be contacted if this happens. The contact information is: Roza Yusupova, 718-935-2729, NYC DOE Banking Department, 65 Court Street, Brooklyn, NY 11201

Q. Will I still have to empty the Kiosk?

A. No. With Universal Meals in every school, the kiosks have been disabled.

Q. My school is Universal, do I still collect cash?

A. Cash will not be collected for any Student meal. Cash will only be collected for the sale of adult meals.

Q. Will the District Offices still prepare SF-2 Form Transmittal Sheets?

A. No, These are no longer required. Once the SF-2 Form is approved at the district office, the form goes to the Accounts Receivable department electronically.

Q. Will I need to create a SF-2 Form when no cash is collected?

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A. Yes. A SF-2 Form is still required but it should indicate zero (\$0.00) cash collected.

Q. How is cash reported at buildings with more than one school?

A. A separate SF-2 Form is required for each school code.

Q. Can I send in one check for several SF-2 Forms?

A. Yes. If the amount of cash collected is a small amount, you can send in one check, which is the remittance of funds for several SF-2 Forms, spanning more than one week.

Still Have Some Questions?

Q. Whom do I call for assistance if I have a question?

A. If you need assistance, please call either your Manager, District Office or the Finance Office at Vernon Boulevard (718-707-4390) to answer your cash handling related questions.

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Appendix of Exhibits

| | |
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| Exhibit A | SF-2 Form Example (New Form - Excel Worksheet) |
| Exhibit B | Instructions for Completing Electronic (New) SF-2 Form |
| Exhibit C | Adult Meal Payment Receipt |
| Exhibit D | Reserved for future use. |
| Exhibit E | Bank Reconciliation Form (with instructions) |
| Exhibit F | Sample “Cash Collection Question” from OUS |
| Exhibit G | Daily Proof of Cash Form |
| Exhibit H | Cafeteria Cash Receipts Form |
| Exhibit I | Reserved for future use |
| Exhibit J | Samples of a Blank check and Instructions How to Complete |
| Exhibit K | Sample of a Deposit Ticket and Instructions How to Complete |