

CASH-HANDLING POLICY

FRIENDS OF THE MERCED COUNTY PUBLIC LIBRARY



The Friends of the Merced County Public Library (Friends) is an all-volunteer organization. Volunteers may be either current members or individuals who have not paid dues. This Cash-Handling Policy covers both types of volunteers.

The Friends is a tax-exempt organization as described in section 501(c)(3) of the Internal Revenue Code. This tax-exempt status should be taken into consideration when volunteers handle cash receipts for the Friends, as the majority of income is the result of dues and donations intended for the Friends' tax-exempt purposes.

In this Policy, "cash" refers to both cash and checks.

PURPOSE

This Policy provides a clear statement of the Friends' cash-handling objectives, defines the responsibilities of the parties involved in managing the Friends' cash receipts, and identifies a set of procedures to control the way cash is handled.

In so doing, the Policy:

1. Publicly states the need to protect and safeguard the Friends' assets.
2. Communicates Policy objectives to the Friends' Board of Directors, members, donors, volunteers, and other parties.
3. Clarifies the delegation of duties and responsibilities concerning the management of cash receipts and other revenues.
4. Identifies procedures for cash-handling.
5. Specifies standards for performance and methods of redress.
6. Demonstrates due diligence and procedural prudence.

CASH-HANDLING OBJECTIVES

The overall cash-handling objective of the Friends is to maximize the efficiency of accepting, processing, recording, and depositing cash receipts while minimizing risk of loss of cash. A corollary objective is to clarify procedures and

accountability for handling the Friends' cash. As cash is a major temptation, these objectives are essential.

GENERAL PROVISIONS

1. All transactions shall be for the sole benefit of the Friends.
2. This Policy may be amended. Upon request, the Friends' Investment Committee will review the Policy and make recommendations to the Board of Directors, ensuring that the Policy and its procedures remain in compliance with all applicable federal, state, and local laws. The amended Policy will be presented to the Friends for a vote of approval.
3. All procedures specified by this Policy should be viewed as safeguards that minimize risk.

DELEGATION OF RESPONSIBILITY

1. The Friends' Board of Directors has ultimate responsibility for the management of the Friends' assets.
2. The Investment Committee, when requested, is responsible for the review of the Cash-Handling Policy for possible revisions.
3. The President may receive cash from various sources and is responsible for its deposit into the Friends' bank accounts or for turning the cash over to the Recorder or Treasurer to deposit. The President is responsible for working with all parties to resolve disputes over cash resources and management.
4. The Treasurer is the principal party responsible for depositing cash into the Friends' bank accounts. The Treasurer receives cash from various sources and is responsible for depositing it, keeping official records about cash transactions, and sharing information with the Recorder and other members involved in cash management.
5. The Recorder, who keeps a record of members, donors, and their contributions, receives cash from various sources and is responsible for its deposit into the Friends' bank accounts. The Recorder is responsible for retaining all paperwork related to cash dues and donations, and for sharing full information with the Treasurer.
6. The Bookstore Manager is responsible for the Friends' Bookstore, which accepts donations of cash. The Bookstore Manager trains and supervises

Bookstore volunteers, who handle cash in accordance with the policies and procedures in the Friends' *Bookstore Volunteer Handbook* (see Appendix A). The Bookstore Manager is also responsible for cash, and for volunteers handling cash, immediately prior to, during, and immediately following Friends' Bookstore or book fundraisers. After a fundraiser, the Bookstore Manager is responsible for turning the remaining cash and proceeds over to the President, the Recorder, or the Treasurer for deposit.

7. The Money-Counting Volunteer, who reconciles the Bookstore accounts with the daily proceeds on a regular basis, is responsible for conveying the cash receipts from the Friends' Bookstore to the Treasurer or to the Recorder for deposit.
8. The Fundraising Chair organizes and supervises the Friends' fundraisers and is responsible for cash, and for volunteers handling cash, prior to, during, and following the fundraisers. After a fundraiser, the Fundraising Chair is responsible for turning the remaining cash and proceeds over to the President, the Recorder, or the Treasurer for deposit.
9. The Correspondence Volunteer is responsible for handling correspondence with cash. This Volunteer passes cash receipts and paperwork from correspondence on to the Recorder for deposit.

CASH-HANDLING PROCEDURES

1. The President, Treasurer, and Recorder may deposit cash into the Friends' bank accounts. The President and the Treasurer may withdraw cash from these accounts. In consultation with the President, the Treasurer moves cash from one bank account to another, and/or from the Friends' accounts in one financial institution into their accounts in another financial institution.
2. The Treasurer may receive cash from on-the-spot donations or dues, from correspondence, and from the sources listed in the previous section. These receipts will be deposited into the appropriate Friends' bank accounts. The Treasurer may withdraw cash from the Friends' accounts for fundraisers (for the Bookstore Manager, the Fundraising Chair, or their designees) and for needs approved by the Board, the President, and/or the Friends. The Treasurer records all cash transactions in the Friends' official financial records.

3. The President and the Recorder may receive cash from on-the-spot donations or dues, from correspondence, and from the sources listed in the previous section. When either the President or the Recorder deposits cash into a Friends' bank account, s/he provides the Treasurer with the deposit slip and other electronic or paper records requested by the Treasurer. The Recorder retains membership forms and the paperwork associated with donations for specific purposes and keeps a record of members, donors, and their financial contributions.
4. In consultation with the President and the Treasurer, the Bookstore Manager updates the Friends' *Bookstore Volunteer Handbook* (Appendix A), which is a reference for handling Bookstore cash. The Bookstore Manager and all Bookstore volunteers adhere to the cash-handling procedures in the *Handbook*. The Bookstore Manager appoints the Money-Counting Volunteer and, in consultation with the Treasurer, takes action to resolve discrepancies documented by that Volunteer. Prior to a Bookstore or book fundraiser, the Bookstore Manager may request cash from either the President or the Treasurer, and afterwards the Manager gives the cash and fundraiser proceeds to the President, Treasurer, or Recorder for deposit.
5. The Money-Counting Volunteer reports irregularities between the Bookstore accounts and the daily proceeds to the Bookstore Manager. The Money-Counting Volunteer takes possession of the Bookstore proceeds and turns them over to the Treasurer or to the Recorder for deposit. This Volunteer also passes the paperwork for memberships and specific types of donations (dated, with the amounts noted) to the Recorder.
6. Prior to a fundraiser, the Fundraising Chair may request cash from either the President or the Treasurer, and afterwards the Chair gives the cash and fundraiser proceeds to the President, Treasurer, or Recorder for deposit.
7. The Correspondence Volunteer routinely opens the Friends' mail with cash. This Volunteer turns the mail, cash, and paperwork over to the Recorder.

PERFORMANCE

The Friends hold an internal financial review annually. One purpose of this review is to assess the adequacy of cash handling during the year.

The Friends is an all-volunteer organization. The absence of confusions, disputes, and conflicting records will indicate adequate performance. The presence of any one of the aforementioned conditions indicates inadequate performance and requires resolution. Remedies will be applied as needed. Performance shall be evaluated on an on-going basis.

The Treasurer and the Recorder communicate routinely about cash revenues and deposits from donations and memberships to resolve any conflicting issues. If their records disagree, the Treasurer's records will be regarded as correct and official.

In cases of inadequate performance arising from the Friends' Bookstore or book fundraisers, the Bookstore Manager consults with the Treasurer before taking action.

When other cash discrepancies or disputes arise, the President will be available to help resolve the matter in the best interests of the Friends. The Board of Directors is the ultimate arbitrator when required.

Severe or repeated problems with the cash-handling procedures in this Policy indicate the Policy should be amended.

ACKNOWLEDGMENT

We recognize the importance of adhering to the Friends' purpose and strategies detailed in this Policy. We endeavor to assign the leadership roles and responsibilities described herein to volunteers whose experiences demonstrate their honesty, reliability, and commitment to the Friends. We trust those leaders to recruit, train, and oversee other volunteers who embrace the Friends' goals and follow the cash-handling procedures laid out in this Policy.

President Susan Leigh Flinspach

Vice President (vacant)

Secretary Leigh-Ann Thornhill

APPENDIX A

The Friends' *Bookstore Volunteer Handbook* Revised December 2018

WELCOME TO THE FRIENDS' BOOKSTORE

The Friends of the Merced County Library relies on volunteers (18 years or older) to work in the Bookstore, process books, and help with book donations and sales.

The Bookstore Manager recruits, trains, and supervises volunteers like you. Each of you is an advocate for the Friends and for the Library. The contribution that you make to our community is tremendous. Thank you!

This Handbook tries to answer some of the questions that might arise when you are new to your position. To learn more, ask **the Bookstore Manager**, or leave her a note in the Bookstore.

BOOKSTORE BASICS

OPENING UP

Ask a staff member to unlock the door; the door usually locks automatically upon closing, so block it open. Turn on the lights, bring in the trash can if it is outside the door, and sign in on the sign-in sheet on the desktop.

Count the money in the cash drawer; if the total is \$10.00, then you are ready to go. If there's more than \$10, put the extra in a brown, lined envelope (second drawer on the left). Fill in the previous day's date and the amount, tape it shut, and ask the staff at the Circulation Desk to put the envelope in the Bookstore's cash drawer.

At the top of the next (clean) page on the yellow tablet, write down the amount of money in the drawer (\$10). Stamp the date, and write the day of the week at the top. Using a ruler, draw 3 columns on the right-hand side of the page. Label them from left to right as 1) MMDAAB [for new memberships, memorial/honorary donations and Adopt-A-Book orders], 2) Other donations, and 3) Sales. Keep track of the financial transactions during your shift in these columns.

HELPING DURING YOUR SHIFT

If you need to leave the Bookstore during your shift, post a note on the door that you will be back in five minutes. Make sure the door is locked.

Once you are familiar with the Bookstore, we encourage you to help organize during your shift. Feel free to shelve (appropriately) new donations. If you know

how a given section is arranged, you may also shelf-read the section. Keep the aisles clear of boxes, bags, and books. By law, wheelchairs need three feet of space to pass.

At times we redo sections and weed out books. In these cases, we leave notes asking you NOT to shelve items or NOT to work on particular sections. Please respect the requests on such notes.

If the volunteer for the next shift does not arrive as your shift ends, leave the money in the cash drawer, and post a sign on the door that the Bookstore is closed. Make sure the door is locked, and tell staff at the Circulation Desk that you are leaving.

CLOSING OUT

Ten minutes before the end of your shift, tell patrons that you are closing. Make sure all of them have left, and then close the door.

Total the columns on the yellow sheet, **and add them together.** Remove the contents of the cash drawer. Count out \$10.00 in small change and bills, and put that back into the cash drawer.

After October 2018: MMDAABs (new memberships, memorial/honorary donations, and Adopt-A-Book orders) are part of the day's receipts. Count the money (minus the \$10 in cash drawer), including MMDAAB receipts. If your cash/check total does not match your total on the yellow sheet, record the discrepancy on the sheet. Put the money, checks, and completed paperwork into a brown, lined envelope (second drawer on the left). Fill in the date and amount, and tape it shut.

Put the trash can outside the door, turn out the lights, and close the door. Make sure the door is locked. At the Circulation Desk, ask the staff to put the envelope in the Bookstore's cash drawer (and to lock the Bookstore door if it is not locked).

SCHEDULING AND MORE...

The Bookstore Manager sets the regular schedule. You are responsible for finding your own substitutes. The substitute list is updated periodically, and copies are stored in the white binder. Take one home! As a last resort, you may call **the Bookstore Manager** for help.

Get familiar with the current Donation Guidelines in the clear acrylic holders on the door and on the desk. Please give potential donors a copy of the Guidelines. Volunteers can accept at most 2 bags or 2 boxes of donated materials each shift! Please let **the Bookstore Manager** know when the Bookstore is low on any of the handouts or supplies. We hold a brunch or informational meeting once a year to review training, air suggestions, and have fun.

DOING BUSINESS

- Prices are posted and are in the white binder.
- Friends' T shirts (in the filing cabinet) are \$20.
- Do not accept a check for less than \$5.00.
- Membership forms, Adopt-A-Book brochures, and Memorial/Honorary Donation forms are in the clear acrylic holder on the desk.
 - Inspect each completed form/brochure to be sure that it is filled in fully.
 - Confirm that the check amount agrees with the paperwork.
 - Keep the completed form and check together, putting them in the cash drawer.
- Buy One Get One Free (BOGO): we ask for full price for the first item, nothing for the second, full price for the third, nothing for the fourth, etc. [The October 2018 newsletter documents this.]
 - BOGO does NOT apply to: books that are almost new; DVDs; CDs; and T shirts.
 - The BOGO list (volunteers & current Friends) is in the top right-hand drawer.
- If you need change for a patron, check the change envelope at the bottom of the cash drawer.
- Blank receipts for donations are available upon request (in the top right-hand drawer).
- Requests/holds last 2 weeks; they MUST be dated and have a name and phone number.

The Friends' volunteers will respect staff directives and all Library policies and procedures. They will follow the guidelines in the Friends' *Bookstore Volunteer Handbook*. They will treat both the public and Library staff with dignity and courtesy at all times. They will report any complaints or incidents with the public or with Library staff to **the Bookstore Manager** as soon as possible.