

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 1 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

RECEIPTS

Generally accepted accounting principles for governmental fund transactions are accounted for on the modified accrual basis, which recognizes revenue when it is both measurable and available. The Mississippi Code of 1972, Annotated, § 7-9-21, requires that all funds be deposited into the State Treasury on the same day that the funds are collected. In order to comply with state statute, the procedures listed shall be adhered to at all times: (1) maintaining internal control of receipts, (2) ensuring cash availability, and (3) providing reliable data for reporting and decision making.

RECEIPT LOGS

Each office receiving checks, cash, or money orders is required to maintain a cash receipt log for internal control and audit purposes. When recording transactions in the log, make sure to list the payer, date received, check number, or indicate that cash was received, and list the amount in the log upon receipt.

A recommended control for checks received through the mail is to have the employee who opens the mail log in the checks. Assign a different employee to prepare the Receipt of Funds form and submit the deposit to the Accounts Receivable Division in the Office of Accounting.

ENDORSEMENT OF CHECKS

Each office shall maintain an endorsement stamp and stamp checks individually as received prior to submitting to Accounting.

DEPOSITING FUNDS

Submit cash to Accounts Receivable on the same day the funds are received for timely deposit to the State Treasury. At no time should cash, checks, or money orders be held by an office.

Accounting's deadline for depositing to the State Treasury is 1:30 p.m. daily. Receipts submitted to Accounts Receivable after 11:00 a.m. will be logged and a receipt written using the next day's date. Checks, cash, or money orders submitted to Accounts Receivable after 11:00 a.m. will be placed in the safe and deposited the following day.

Submit cash receipts directly to the Accounts Receivable staff. Place cash, checks, and money orders in an envelope or money bag when traveling between floors or from one room to another.

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 2 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

COMPLETION OF THE RECEIPT OF FUNDS FORM

The Receipt of Funds form is the documentation used to substantiate each deposit made for our agency. Completion of this form is the responsibility of the office submitting checks, cash, or money orders for deposit. This form identifies the type of deposit, applicable budget coding; such as, budget year, fund, business area, cost center, internal order number, general ledger account, check amount and number, and a brief description. The person submitting the Receipt of Funds form must sign and date.

Complete the Receipt of Funds form for each deposit to a specific grant or cost center. One or more checks to the same grant or cost center can be combined on one Receipt of Funds form.

Complete and return the Receipt of Funds form found on Accounting's website under Documents-Accounting Forms. This form must be received in Accounts Receivable before 11:00 a.m. the same day for a timely deposit with the State Treasury. The office making the deposit keeps a copy and submits the original and supporting documentation along with the check(s), cash, or money order(s) to Accounts Receivable.

TYPES OF DEPOSIT

Refund - Prior Year Disbursement

This refund is for expenditures made from a prior fiscal year. Prior year refunds do not increase the current year allotment. Any deposit of a prior year refund must be classified as revenue.

- Prior year refunds originally disbursed from a general fund (2XXX) must be deposited into the State General Fund 2999.
- Prior year refunds originally disbursed from a special fund (3XXX) may be deposited into the fund from which it was originally disbursed.
- Prior year refunds disbursed from a general fund and a special fund shall be prorated between funds based on actual expenditures.
- Revenue generated as a direct result of expenditures made from General fund monies involved in the sale of goods should be deposited to the original general fund during the current year.
- If the expenditures were made in the prior fiscal year, the refund must be deposited to the State General Fund 2999.
- Interest earned on a refund shall be deposited into the State General Fund 2999.

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 3 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

Refund - Current Budget Year Disbursement

This refund is for an overpayment of expenditures or a travel advance disbursed from the current year. Include the budget codes that expenditures were charged, the date, vendor name, vendor number, and check number on the Receipt of Funds form. Current year refunds are recorded as reductions to expenditures.

Federal Funds Received from a State Agency

Federal funds passed on as sub-grants or cost reimbursements are funds received to reimburse the Mississippi Department of Education (Department) for the use of agency monies used to provide funding for agency sub-grants.

Receipt of Funds for the Sale of Goods/Services

Checks, money orders, or cash received from the sale of goods originally expended from general funds may be deposited into that same fund or General Fund 2999.

Receipt of Miscellaneous Grant Awards or Donations

These are funds received from institutions, organizations and private businesses to provide support in carrying out specific workshops, conferences, forums and other educational programs.

Other

Check this deposit type on the Receipt of Funds form if the deposit does not belong in either of the listed categories. Provide a detailed explanation.

RECEIPTS AT FISCAL YEAR END

Accounting operates two (2) fiscal years during the months of July and August of each year. The fiscal year runs from July 1 to June 30. However, expenditures are authorized from the State Treasury two (2) months after the fiscal year ends, July and August, which is known as the lapse period.

Offices are required to list on the Receipt of Funds form which year a receipt is to be deposited during July and August of each year. If the fiscal year is not listed, the receipt will automatically post to the current year.

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 4 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

REFUND CLEARING/SUSPENSE ACCOUNT

Should an office receive a refund and staff cannot immediately determine (on the day it is received) which grant it applies to, complete the Receipt of Funds form and submit it to Accounts Receivable indicating "Other" as the Type of Deposit. These funds will be recorded to the "Funds Held for Others" account for compliance with state statute.

The "Funds Held for Others" account is reconciled monthly; therefore, should these funds remain in the account past 30 days, the office will be notified to instruct Accounts Receivables to make the necessary adjustment to the proper account.

NON-SUFFICIENT FUND (NSF) CHECKS

NSF checks are checks received for deposit that are returned by the bank through the State Treasury. A check may not clear due to lack of sufficient funds in the payer's account (the bank balance is less than the amount of the check). When a check is returned the following will occur:

- Accounts Receivable will pick up the returned check from the State Treasury.
- The office originating the deposit for pickup and settlement will be contacted. It is the responsibility of the office making the deposit to contact the individual and settle the debt.
- It is recommended that the office require the individual to submit a cashier's check or money order which will be deposited upon instructions from the office making the deposit.
- After the NSF check is settled, accounting entries will be adjusted.

AGENCY SAFE/VAULT PROCEDURES

To ensure accountability and to safeguard agency assets, staff will be required to sign in and sign out the items removed from the safe. Only Accounts Receivable staff will be authorized to place items inside or remove items from the safe.

A physical inventory of the safe's contents will be performed twice per year. Should an office place cash or non-cash items in the safe, the responsible person will be required to sign a statement to continue storage in the safe.

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 5 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

CONFERENCE REGISTRATION PROCEDURES

Due to the large volume of conferences and workshops sponsored by the Department, the pre-registration of participants is recommended. This guarantees a conference budget and allows the sponsoring office to use accurate numbers when planning for meals and meeting rooms. It also eliminates the need for cashiers to handle cash and the potential for uncollected debts.

Accounts Receivable staff is available to monitor or assist with questions during on-site conference registration. Due to internal control procedures, Accounts Receivable staff cannot collect monies during registration and deposit those same funds with the State Treasury.

The office sponsoring the conference is required to set up a receipt log book and is also required to write receipts for participants.

Checks for conference registration should be made payable to State Treasurer Fund 3202.

Pre-Registration

During the planning stages of a conference, the sponsoring office should meet with the Budget Office to set up the required budget codes for tracking, if needed. These budget codes allow the Offices of Budget and Accounting the capability of tracking the conference account, which includes budget, revenue, expenditures, and report preparation.

After Budget Office has set up the required budget codes, complete and submit the Receipt of Funds form to Accounts Receivable with the checks for conference pre-registration and collections from on-site registration.

The sponsoring office is required to prepare receipts for all hand-delivered cash or checks received through the mail. Cash should not be sent through the mail.

The logbook is used to log all checks received by the sponsoring office. The log should list the following information: date, name, check number, and amount.

Conference registration checks should be submitted to Accounts Receivable daily for depositing into the State Treasury.

Place cash and/or checks in a money bag or envelope when going from building to building and from floor to floor.

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 6 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

Pre-Registration (continued)

Conference registration checks submitted to Accounts Receivable will be logged in total and a receipt written to the sponsoring office. Accounts Receivable will deposit funds into the State Treasury.

On-Site Registration

On-site registration should include cashiers, registration tables, a two-part pre-numbered receipt book, a money bag, and calculators. The decision to accept personal checks is made by the sponsoring office. It is recommended, however, that you do not accept personal checks during on-site registration. Checks written from a business or organization are acceptable.

When collecting money and writing the receipt at the registration table list the date, participant's name, and check number. Give the original to the participant and leave the copy in the receipt book. *Never use white-out to correct a receipt and never darken with a pen. Always line through the error and continue to use the receipt or write void on the receipt. Leave the receipt in error in the book and start a new receipt.*

Reconcile receipts with funds collected at least twice daily; once in the morning and once in the afternoon. Mark the last receipt written in the morning "Last Receipt Written," list the date, and list the time.

At each registration table calculate the funds collected, get a total amount, and then total the receipts written. The total funds collected should equal the total receipts written. Place the funds in an envelope or money bag.

Submit the funds to Accounts Receivable with the Receipt of Funds form for deposit in the State Treasury. Take the envelope or bag to a secured work area or hotel safe deposit box for safe keeping until funds are submitted to Accounts Receivable.

It is highly recommended to place collected funds for deposit in a secured area or hotel safe deposit box.

If the funds collected and the receipts do not agree, perform a recount. If they still do not agree, write the difference on the outside of the envelope and take it to the work area for deposit.

Funds collected should be deposited daily. During on-site registration, after you collect \$1,000, immediately bring the funds to Accounts Receivable for deposit along with the receipt of funds form for compliance with the state statute.

STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION	TOPIC: ACCOUNTS RECEIVABLE
EMPLOYEE PROCEDURES MANUAL	SECTION: 16.1 PAGE 7 OF 7 EFFECTIVE DATE: MAY 1, 2000 REVISION #3: AUGUST 1, 2019

On-Site Registration (continued)

When the on-site registration is outside the Jackson metropolitan area, funds collected shall be deposited immediately upon return to work.

After the conference is over, submit to Accounts Receivable a report with the on-site registration receipts stating the total collected/deposited and total of the receipts written. The receipts will be returned to the sponsoring office after review.

Based on the sponsoring office's instruction for conference registration, Accounts Receivable will only submit NSF checks through the participant's account a second time upon notification. It is the responsibility of the sponsoring office to settle the debt. Accounting recommends that you collect cashier's check or a money order when a participant's check has been returned, unless the participant instructs you to submit the same check through his/her account a second time.

RETURN OF CONFERENCE REGISTRATION FEES

Should it become necessary to return registration fees to an individual, prepare a Request for Services and Goods form (Requisition). Indicate the name of the individual, address, and amount to be returned. List the budget codes used during the initial deposit. Attach a copy of the individual's request for a refund to the requisition.

Submit the Requisition along with supporting documentation to the attention of Director of Accounts Receivable. Grant balances and cash on hand will be verified, and the Director of Accounts Receivable will approve the return of funds if sufficient cash is available. The request is then passed to Accounts Payable to process the payment to issue a check and mail it to the individual.

RETURN OF FUNDS TO THE GRANTOR

In order to return funds to a grantor, prepare a Requisition. The Requisition can be found on Accounting's website under Documents-Accounting Forms. Indicate the grantor, grantor address, grant number, reason for the return and the amount.

Submit the Requisition along with supporting documentation to the attention of the Director of Accounts Receivable for verification of grant balance and cash on hand.

The Bureau Manager will approve the return of funds if sufficient cash is available. The request to return the funds is passed to the Accounts Payable section along with supporting documentation. Accounts Payable will process the payment to issue the check and mail it to the grantor.