

2451 MONEY AND ACCOUNTS	
Chapter: Sununu Youth Services Center	Section: Fiscal Management
	New Hampshire Division for Children, Youth and Families Policy Manual Policy Directive: _____ Approved: _____ Effective Date: December 1, 2008 Scheduled Review Date: December 1, 2010 William W. Fenniman, DJJS Director
	Related Statute(s): RSA 6:11 , RSA 471-C , RSA 621 , and RSA 621-A Related Admin Rule(s): Adm 600 Related Federal Regulation(s): ACA Standards 3-JTS-1B-01 through 14, 17, 18, 19, 20 and 21; 3-JDF-1B-

It is essential to maintain transparency especially regarding financial transactions with resident funds and institutional accounts. Strict accounting for all transactions, random and scheduled audits and accountability for all involved are hallmarks of transparency.

Purpose

The purpose of this policy is to establish a procedure to ensure fiscal management based on standard accounting practices.

Policy

- I. This procedure will be followed for all transactions involving money and institutional and resident accounts.
- II. Financial Manager: The Division has a financial manager that is responsible for fiscal management and control. The fiscal officer has appropriate professional qualifications with a minimum of a bachelor's degree in business administration or a related field and three or more years of demonstrated supervisory and or administrative experience.
- III. Internal Controls: The Financial Manger is responsible to ensure the collection, safeguarding, and disbursement of monies comply with the State's accounting procedures established by the Department of Administrative Services. The Business Office shall ensure the Division has adequate internal controls through a variety of means, which are as follows:
 - A. The Division shall follow the Department of Administrative Services rules, specifically Chapter Adm 600, Plant and Property Management Rules.
 - B. The Business Office shall be organized to ensure that there is separation of job functions and that personnel are responsible for their job function.
 - C. The Business Office shall maintain a current check signatory list.
 - D. The Business Office shall perform an annual inventory of property, supplies, and other assets consistent with the Department of Administrative Services rules.
 - E. The Business Office shall maintain a current status of income and expenditures.

- F. The Division reports to the Department of Health and Human Services on each financial transaction, which provides ongoing monitoring of the SYSC fiscal activities.
 - G. The Division participates in the State's annual fiscal accounting audit, which will occur at a minimum every three years.
- IV. Budget Process: The Director shall seek facility staff's input and participation during the facility's budget preparation process. The facility administrator will participate in the budget deliberations with the Director. The Financial Manager shall provide technical support to the Director in the preparation and presentation of the Division's budget. When budget revisions are required the facility administrator will work in conjunction with the Director when evaluating revision impacts.
- V. Check Cashing: Neither the SYSC Campus Store nor the Business Office shall cash personal checks.
- VI. Cash and Bank Deposits: All cash received will be stored in the secure safe in Reception. There are only two Reception safe keys, which are controlled by the Business Office Administrator and Cashier. Daily the Business Office Cashier shall withdraw any cash from the Reception safe and deposit it in the Cashier's safe in the Administration Building. Bank deposits shall occur any day that there is more than \$100 on hand. Moreover, a deposit shall be made at least every Friday if no deposits have been made throughout the week, even if the amount is less than \$100.
- VII. Return of Resident Funds at Time of Release and Abandoned Resident Funds: The Business Office shall utilize best efforts to return all personal resident money to the resident at the time of the resident's release from the SYSC. In the event that a resident's personal funds are not returned at the time of release, efforts to return the resident's money shall continue until a time that said money becomes abandoned property (property held that remains unclaimed for more than 3 years after becoming payable or distributable). Any interest earned on monies other than operating funds accrues to the benefit of the juveniles.
- VIII. Release: When a resident is released from the SYSC the following will occur:
- A. It is best practice for an SYSC resident to leave the facility at the time of his/her release with his/her personal funds, in the form of cash or check (less than \$25 shall be issued in cash form; more than \$25 shall be issued in check form). If circumstances do not allow this, then the personal money is returned in check form and sent via U.S. mail.
 - B. Within a week of a resident's release from SYSC, residential staff shall provide the Business Office with a withdrawal slip for the resident funds as well as the resident's forwarding address. Both the resident and a residential staff member shall sign the withdrawal slip.
 - C. Residential staff shall pick up the money from the Business Office Cashier and give it to the resident upon release.
 - D. When a resident leaves without picking up his/her money from the Business Office Cashier, or if the money is not ready to be retrieved at the time of release, the Accounting Technician shall send the check to the resident at his/her forwarding address via U.S. mail.
 - E. When checks are returned to the Business Office because of an incorrect or unknown address, or as undeliverable, Business Officer staff shall make an effort to find a current forwarding address for the former resident, and the check shall be re-sent.

- IX. Return of Funds: In an effort to return all resident money to its owner, the following procedure shall be done on a quarterly basis:
- A. The Business Office Accounting Technician shall issue a letter to all former residents who are the owners of unclaimed money.
 - B. The letter informs the resident that he/she has left property behind, and asks them to contact the Accounting Technician to make arrangements for picking it up, or having it delivered.
 - C. The letter gives the former resident 60 days to respond.
 - D. If there is no response to the 60-day letter, the Business Office will make other attempts to contact the resident on a yearly basis.
 - E. If there is no response after 3 years, the money becomes abandoned property and is sent, in check form, to the Department of the Treasurer.
- X. Trust Funds: The Business Office shall administer those trust funds established for the benefit of the John H. Sununu Youth Services Center (SYSC) residents for use while in residence or once they have been released from SYSC, in accordance with governing state statutes and relevant accounting standards. The following trust funds have been established for use by and for SYSC residents:
- A. Matthew Elliott Memorial Fund – Funds to be used as an annual scholarship (\$50 - \$100) presented to a SYSC resident with a demonstrated need and/or desire to further his/her education.
 - B. Frederick Smith – Funds A and B – Income may be used for improving the general library facilities of SYSC, including the purchase and rental of educational films.
 - C. Emily E. Smith Fund – Income to be expended annually for the purchase of awards and prizes for good behavior and scholarship for the students of SYSC upon their departure.
 - D. Harriet L. Penhallow Fund – Income to be used for the purpose of procuring books for the SYSC library, forever.
 - E. Moody Kent Fund – Income to be used for such person or persons annually as shall be discharged, if any are so discharged, and shall be thought by their good behavior to merit such reward and to enable them to start in the world under better advantage.
 - F. Gerald G. Quigley Memorial Fund (this fund is currently held by DJJS) – Funds to be used for a special English award to be given to a deserving student at graduation.
- XI. Moody Kent Fund: Of the funds listed above, only the Moody Kent Fund requires that a resident initiate the process of receiving money from the fund. (Residential staff shall be responsible for notifying residents of this fund.) The following process shall be followed for the Moody Kent Fund:
- A. A resident shall express interest or a need for aid, or specifically request money, via a letter to the Bureau Chief of Residential Services (Bureau Chief).

- B. The Bureau Chief shall review the letter and make a decision to approve or deny the request. The Bureau Chief may also make a decision on the specific dollar amount.
 - C. If approved, the Bureau Chief shall forward the original letter and his/her approval to the Accountant III in the Business Office.
 - D. The Accountant III shall compose a letter to be sent to the New Hampshire Treasury Department requesting a withdrawal of funds. The letter shall include the resident's name, the dollar amount, and where the check should be sent.
 - E. The check shall be received in the Business Office and held by the Business Office Cashier.
 - F. The Bureau Chief shall be notified that the money has been received and shall designate a staff member to pick up the check.
 - G. The Business Office Cashier shall make a copy of the check for the receiving staff member to sign.
 - H. This signature copy of the check shall be filed with the trust fund information held by the Accountant III.
 - I. The receiving staff member shall deliver the check to the requesting resident upon departure from SYSC. If the resident has already been released, then the receiving staff shall be responsible for mailing the check to the former resident.
- XII. Money Received: Regardless of the source, all money received (in the form of cash or checks) for Individual Resident SYSC Accounts, Special Projects Accounts, or other funds shall be accepted by either Reception or Admissions and turned over to the Business Office for deposit. There shall be an audit trail whenever money changes hands. The following will apply:
- A. Staff shall not loan or borrow from any funds monitored by this policy.
 - B. Staff shall not cash checks of any kind using funds monitored by this policy.
 - C. All funds are subject to a periodic audit.
 - D. Any money coming in to SYSC, no matter the source or the intended user, shall be received by either Reception or Admissions and turned over to the business Office in the following manner:
 - E. Money received by Reception:
 - 1. Any money coming in to SYSC for individual residents (e.g., from a resident's parent/legal guardian or friends, from paychecks from outside work, or from the resident his/herself when returning from furlough) shall be received by Reception. Residential staff shall not accept money for individual residents under any circumstances.
 - 2. Any money received through fund-raising or donations shall be turned over to Reception by the receiving staff by the close of business on the day of receipt. Names and addresses of donors shall be turned in along with the money so that the donation may be properly acknowledged.

3. The Business Office Cashier shall call Reception daily to inquire if there is money to be picked up, and he/she shall pick it up as needed. Reception shall start a new receipts record each day. The Cashier shall pick up the receipts record, along with the money and the receipts reconcile it and return the yellow copy of the receipts record to Reception.
 4. All money received by Reception shall be placed in the safe in the Receptionist's office until the Business Office Cashier comes to collect it.
 5. In the event that Reception is not staffed, Operations shall assume responsibility for receiving money, properly documenting the receipt of money, issuing receipts, and storing the money.
- F. Money received by Admissions for committed residents:
1. Money in a resident's possession when he/she is committed to SYSC is taken from the resident (with a signed receipt issued to the resident), properly recorded, and placed in a safe in Admissions.
 2. Money received by Admissions shall be picked up by the Business Office Cashier, on an as-needed basis. Admissions staff shall send a notification email indicating that money should be picked up.
- G. Money received by Admissions for detained residents:
1. Money in a resident's possession when he/she is detained at SYSC shall be taken from the resident (with a signed receipt issued to the resident), properly recorded, and placed in a safe in the House Leader's office in the Detention Unit.
 2. Money received by detained residents shall be returned to him/her as part of the exit checklist at the time he/she leaves the facility.
- H. All money received by the Business Office shall be deposited in the appropriate account or fund.
- I. All checks for residents shall be immediately turned over to Reception. There shall be no holding of checks in units for residents. There shall be no holding of checks received by anyone.
- XIII. Resident Jobs: When residents work all student work summary sheets and benefits sheets shall be turned into the Business Office by Wednesday at noon. The Business Office will adhere to the following timetable:
- A. The Business Office shall return items not completed correctly. Late items will be processed the following week.
 - B. Week ending dates for work (weekly) and benefits (biweekly) shall be Friday through Thursday.

- XIV. Disbursements/Withdrawals from Resident Accounts: To obtain a disbursement and/or withdrawal a properly completed withdrawal slip shall be received by the Business Office by Wednesday at noon.
- A. All withdrawals for residents shall have the signature of the resident and that of the approving staff:
 - 1. Up to \$25: Youth Counselor;
 - 2. Greater than \$25: House Leader or Assistant House Leader.
 - B. All Custodial Savings Account withdrawals require the signature of the House leader or Assistant House Leader.
 - C. A specific dollar amount shall be written on the withdrawal slip. Residential staff shall make residents aware of their account balances before they request money. The Business Office sends to each Unit Cashier a weekly printout of resident's account balances.
 - 1. If the resident is leaving the facility, an exit checklist shall be brought to the Accounting Technician in the Business Office to record the resident's balance.
 - 2. Two withdrawal slips shall be done at this time. One slip shall have the resident's forwarding address (for any money that comes in from work or benefits sheets after the resident has left the facility).
 - D. A resident's funds may be picked up from the Business Office Cashier between 9:00 a.m. and 3:00 p.m. on Friday.
 - 1. Emergency withdrawals shall have the permission of the Accountant III, or designee, on a case-by-case basis. Failure to plan ahead for a routine withdrawal shall not constitute an emergency.
 - 2. Notices shall be sent to the House Leader and Unit Cashiers by the Business Office whenever holidays or other fiscal events will modify the given times of the submission of withdrawal forms or the pickup of money.
 - E. The transporting staff shall count the money being received and give the Business Office Cashier a yellow receipt for the money received.
 - F. The receiving staff shall deliver the money to the Unit Cashier who shall count it and issue a yellow receipt to the transporting staff.
 - G. The Unit Cashier shall secure the money in a safe place pending disbursement.
- XV. Freezing Resident Accounts: When a resident's account needs to be frozen (e.g., by the School, the Maintenance Department, a JPPO), all freezes shall go through the Residential Bureau Chief for approval. A withdrawal slip shall be filled out by the House Leader and/or Assistant House Leader and signed by the Residential Bureau Chief. Also, it shall be decided at that point, by the House Leader (or assistant) and the Business Office, how to apply payments on the frozen account.
- A. Questions raised:

1. Is the practice legal?
 2. What are the limitations?
 3. Suggested criteria for freezing funds?
- XVI. Receipt: Any time money is exchanged a receipt of the funds will be completed and distributed in the following manner:
- A. White copy accompanies money;
 - B. Yellow copy goes to the giver of funds;
 - C. Pink copy remains in the receiver's book.
- XVII. Custodial Savings Account: Resident funds are deposited into an interest earning account. All interest earned shall be accrued to residents. When an Individual Resident SYSC Account contains \$300, the Account Technician shall notify the Business Office Cashier who shall open an individual Custodial Savings Account at a local bank. The residents who have Custodial Savings Accounts shall have any interest accrued to the benefit of the resident. Any Custodial Savings Account held by the Division is controlled by accepted accounting procedures.
- XVIII. Special Projects Account: The House Leader or Assistant House Leader, or designee, may authorize the withdrawal of funds from the Special Projects Account for unit projects or activities and shall submit these withdrawals as the need arises.
- A. The withdrawal slip shall indicate the vendor to whom the check is to be made out (cash shall not be issued). In the event that this is not practical, the check may be drawn to the staff member supervising the event. All receipts for expenditures and any funds not spent shall be turned over to Operations no later than the close of the next business day following the event. These monies shall be entered into the receipts record, and picked up by the Business Office Cashier. NOTE: In the rare event a receipt is unobtainable; the staff member shall write a brief note of explanation to submit to the Business Office in lieu of a formal receipt.
- XIX. Contingency Funds: House Leaders may maintain an internal Contingency Fund of no more than \$50 for unplanned contingencies during non-business hours. Money shall be withdrawn from the Special Projects Account for this purpose under the following conditions:
- A. The House Leader shall make an initial withdrawal of no more than \$50.
 - B. The House Leader shall designate a safe place for funds with specific access to particular staff.
 - C. As the funds are disbursed with the House Leader's, or designee's approval, receipts shall be turned into the Business Office Cashier directly with a withdrawal slip to return the fund to \$50.
 - D. The House Leader, or designee shall maintain a simple accounting sheet.
- XX. SYSC Store, Auto Shop, Wood Shop, and Culinary Arts Programs: All money received by the SYSC Store, Auto Shop, Wood Shop, and Culinary Arts Programs will be channeled through the SYSC

Store to the Business Office. These operations will be strictly controlled using standard accounting procedures. Further, they will be subject to both random and scheduled audits at the discretion of the Financial Manager. The Director has authority to use a portion of the funds received from the SYSC Store, Auto Shop, Wood Shop, and Culinary Arts programs for expenditures related to the educational, vocational, and/or recreational activities of residents.

- XXI. Petty Cash: The Business Office Cashier shall be responsible for petty cash. The Cashier shall maintain no more than twenty five (25) dollars in petty cash at any time, which will be securely stored in the Cashier's safe in the Administration Building. The cashier shall maintain an accounting of all petty cash transactions.
- XXII. Audits: The Business Office will conduct financial audits annually of all the Individual Resident Unit Accounts and Contingency Funds. The Business Office will also perform unannounced and/or unscheduled audit visits on a random basis.
 - A. The financial audit will include but not be limited to the tracking of funds from the beginning of a transaction to its completion, the steps followed in accomplishing this task, and how the activity was recorded.
 - B. The auditor will produce a written report outlining the findings. Copies will be distributed to the appropriate buildings, The Bureau Chief or Residential Services, and the Financial Manager.
 - C. If impropriety is discovered the Financial Manager will advise the Director as soon as possible.