

NWF Health Network Policy & Procedure

Series: 1300: Financial Management

Policy Name: Cash Receipts and Controls

Policy Number: 1312

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Policy

It is the policy of NWF Health Network, Inc. (NWFHN), to accurately and consistently record and track all monies received and record them to the appropriate accounts/general ledgers. All monies and deposits are recognized, totaled, balanced and transported to the appropriate banking facility.

Procedure

A. Sources of Payment Receipt.

1. On account (credit to accounts receivable from clients and third-party payers, i.e., Medicare, Medicaid and insurance);
2. Receipt of income on investments;
3. Cash borrowed;
4. Contributions and donations;
5. Grants and fees-for-service contracts;
6. Sundry income.

B. Method of Receiving.

1. By mail;
2. Directly from person making payment;
3. Electronic Funds Transfer (EFT).

C. Forms of Receipts.

1. Coin or currency;
2. Checks, money orders, drafts;
3. Electronic Funds Transfer (EFT).

D. Procedures.

1. Remittance received in daily mail or in person: Accounting Manager, Accounting Director or designee opens checks received in mail, logs all remittances on the daily cash log and stamps checks "for deposit only." After checks are logged and stamped, the checks are given to the Fiscal Assistant for deposit. The Fiscal Assistant, or designee, deposits checks received utilizing NWFHN designated bank's remote data capture software. If a check cannot be deposited utilizing the remote data capture software, the check is delivered to the bank for deposit.

E. Electronic Funds Transfers. A designated Accountant will check for EFTs that are transmitted via the State of Florida Controller and other depositors utilizing an on-line banking system generated

NWF Health Network Policy & Procedure

report. These items are recorded in the general ledger.

F. Governmental Grants, Private Grants, and Contracts Awards.

1. The Contracts Administrator or their designee maintains a file of all grants awarded to the agency.
2. A designated Accountant prepares a standard journal entry to recognize the amount of accounts receivable each month.
3. The CFO or Designee approves the standard journal entry for posting.
4. When the cash is received for the grant, it normally will be included in the daily cash receipts listing at which time such amount will be debited to cash and credited to the proper grant or account receivable.
5. The receipt and expenditure of each grant or contract award will be recorded separately.

G. [Security]. Cash/checks are never left unattended or unsecured. The funds are placed in a locked area until ready to be deposited.

1. **Deposits.** Deposit amounts not deposited via remote data capture software and logged documentation are given to a designated Accountant who provides them to the Director Accounting or designee for securing in a locked area until a deposit can be made. As considered reasonable, but no less than monthly, the Director of Accounting or designee, retrieves the deposit amounts from the secure location and provides the items to a designated Accountant for preparation and delivery of the deposit to the designated bank. Once the deposit has been validated the deposit slip with supporting documentation is forwarded to a different designated Accountant for recording into the general ledger.