



RESOLUTION NO. 20250527-09

A RESOLUTION AMENDING THE CASH HANDLING POLICY FOR TEXAMERICAS CENTER

WHEREAS, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

WHEREAS, it is advisable to amend said Cash Handling Policy to assist all TexAmericas Center departments and personnel by defining and communicating an acceptable level of control(s) for cash-handling operations; and

WHEREAS, a Cash Handling Policy was adopted on July 22, 2021, by **Resolution 20210722-01**; and

WHEREAS, TexAmericas Center now requires an update to the existing policy based on contemporary circumstances; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of TexAmericas Center that the attached revised Cash Handling Policy is hereby adopted in substantially the same form.

PASSED and APPROVED this 27th day of May, 2025

A handwritten signature in blue ink, appearing to read "Jim Roberts", is written above a horizontal line.

Jim Roberts, Chairman of the Board

ATTEST:

A handwritten signature in blue ink, appearing to read "Justin Powell", is written above a horizontal line.

Justin Powell, Secretary

Attached: Cash Handling Policy



CASH HANDLING POLICY

May 27, 2025

By Resolution #20250527-09



I. PURPOSE

To assist all TexAmericas Center (TAC) departments and personnel by defining and communicating an acceptable level of control(s) for cash-handling operations. This policy provides operational rules and guidance.

The objectives of this policy are to set forth minimum standards to ensure clear and consistent practice within TAC for the handling of cash and for limiting not only TAC's losses, but also the TAC's involvement in investigations of losses of funds. This policy will serve to standardize a sound system of cash controls within TAC as well as to provide guidance to departments on improving cash handler skill and accountability. Overall compliance with this policy will allow TAC to prevent or detect losses related to cash handling and to assign responsibility to an individual in a timely manner to minimize losses.

Further, the ability to ascertain individual accountability for each loss will reduce the impact of failing to protect honest employees from unnecessary suspicion. A sound system of cash controls should protect and support employees who do their job with a sense of integrity. Employees not involved in cash errors and/or irregularities deserve to work in an organization that insists on a control system that can support their innocence when errors and/or irregularities do occur.

Specifically, this policy is designed to avoid the following types of circumstances:

- A loss or losses of funds,
- An inability to detect missing funds,
- Detection of missing funds when recovery is no longer possible,
- An inability to determine who is responsible for a loss or losses, or
- An inability to investigate losses.

TAC reserves the right to amend or terminate the policy at any time.

II. RESPONSIBILITIES

Cash received by TAC should be carefully guarded. Each employee, from a front-line cash handler to the Department Head, is expected to demonstrate a positive attitude in protecting the assets of the TAC. A clear responsibility lies with management to install and maintain a cash-handling control system that will prevent, detect, or deter fraud.

A. DEPARTMENT HEADS AND SUPERVISORS HAVE THE RESPONSIBILITY TO:

1. Safeguard all TAC funds.
2. Ensure that procedures in place in their departments comply with this policy and to assume accountability for exceptions to and deviations from this policy.
3. In the event of a loss, assure compliance with any relevant procedures detailed in TAC's policies on reporting fraud.

B. CASH HANDLERS HAVE THE RESPONSIBILITY TO:

1. Use due diligence in handling TAC assets so that reasonable protection is always provided to those assets.
2. Report to their departmental management, the Finance Department, or to the Executive Director/CEO, any instance which is deemed to be a serious failure to give proper care to cash, securities, or other valuables whether such failure has resulted in a loss.
3. Report to their departmental management, the Finance Department, or to the Executive Director/CEO, any instance where a TAC employee has knowledge, or suspicion, of a defalcation or dishonest act by another TAC employee.

C. TAC'S FINANCE DEPARTMENT HAS THE RESPONSIBILITY TO:

1. Conduct appropriate internal investigations and/or cash control reviews, as necessary.
2. Coordinate and collaborate with law enforcement, as appropriate.
3. Upon request, assist other departments with developing controls to mitigate the potential effects of exceptions or deviations from this policy.

D. DEFINITIONS

1. Cash Handling - As used in this policy statement, describes the receiving, transmitting, safeguarding, and depositing of all funds of any type received by the TAC.
2. Cash Handler - As used in this policy statement, denotes any employee whose job description includes responsibility for receiving, transmitting, safeguarding, and/or depositing of TAC funds of any type.
3. Cash Over/Short - A cash handler is short when an unintentional collection error is made, i.e., does not obtain physical custody of money or a change-making error. A cash handler is over when too much money is collected, and the excess cannot immediately be returned to the customer.

Loss of TAC money results when a cash handler obtains physical custody of money and then, due to negligence, an act of God (such as fire or flood), or a theft cannot deposit that money with TAC. Leaving TAC money unattended and/or not properly safeguarded is an example of cash handler's negligence that could potentially result in a loss of funds.

4. Dual Control describes processing where two individuals have responsibility for funds. The underlying theory is that the two individuals can vouch for each other's action. Theft is less likely in operations with dual control since it would require the collusion of two individuals.

One type of dual control is demonstrated when a safe requires two combinations, two keys, or a combination and a key to open. When the combinations or combination and a key are assigned to two individuals,

access requires dual control. In this circumstance, a vault or safe could not be opened without two people being present.

5. Single Control occurs when an individual is solely responsible for funds. Since only one person has access to the funds, that one individual can be held accountable in the event of a loss.

If funds are under single control, they must not be accessible to others. Therefore, if a safe accessed by multiple cash handlers is used for overnight storage of funds under single control, those funds must be secured separately within the safe. This ensures that individuals with access to the safe do not also have access to the single-controlled funds.

6. Segregation of Duties ensures that no single person handles a transaction from beginning to end. If possible, the following four basic functional categories should be performed by different people within a cash-handling operation:
 - a. Authorization or approval of transactions,
 - b. Recording of transactions,
 - c. Custody of Funds and Segregation of Duties ensures that no single person handles a transaction from beginning to end. If possible, the four basic functional categories should be performed by different people within a cash-handling operation.
 - d. Monitoring to ensure compliance with control procedures.

If one person does perform two or more of these functions, there is no independent check for mistakes and errors and/or irregularities are very likely to go undiscovered for long periods.

If it is not practical to maintain strict segregation of duties due to a limited staff size, then efforts to incorporate other control measures should be attempted.

Additional control measures include rotation of duties among personnel as well as stricter supervision to include random spot checks of a cash handler's work.

E. CONTROL STANDARDS FOR CASH HANDLING

1. PROCEDURAL PROTOCOLS

Procedures should be in place that will ensure that all payments received are processed and that any payment may be traced from initial receipt to final disposition. Each cash-handling operation shall include the following controls, as appropriate.

- a. Maintain strict control over all receipts.
- b. Use receipts, either manual or cash register generated, for all intakes of money.
- c. At a minimum, when issuing manual receipts, use triplicate receipts to allow for a customer copy, cash-handler copy, and a copy that remains in the manual receipt book.
- d. Have a space indicating mode of payment of manual receipt forms.
- e. Be sure that receipts are signed or initialed by the person issuing. Receipts generated by a cash register should also indicate the person issuing.
- f. Encourage all customers to obtain receipts for their payments.
- g. Maintain strict control over the access to funds. Never leave cash or checks unsecured.
- h. Place a restrictive endorsement on checks at the time of receipt.
- i. All checks must be made payable to the TexAmericas Center, and each check restrictively endorsed upon receipt.
- j. Current dates are required on all checks (postdated checks are

not allowed).

- k. Use change funds for making change only. No checks of any type may be substituted for cash.

2. **MAIL PROCESSING CONTROLS**

Proper management of mail collection is particularly important because the person making the payment is not present, and no receipt is issued at the time of collection. At a minimum:

- a. Mail should be opened daily to expedite processing of payments received.
- b. Mail should be worked independently of over-the-counter receipts.
- c. Checks should be restrictively endorsed as soon as possible after being opened.

3. **SAFEGUARDING FUNDS**

Strict control must be always maintained over the access to funds. Dual control over the processing and storage of all cash funds should be used, where practical. It is TAC's policy that access to vaults and safes shall be limited and the following controls over the processing and storage of all cash funds should be used, where practical.

- a. Individuals handling cash should be provided separate and secure work areas. When single control over cash is expected, individuals should be provided appropriate space to achieve single control.
- b. Private areas should be provided for cash reconciliation and deposit preparation. Only authorized individuals should be allowed in cash-handling areas.
- c. Physical facilities for any cash handling operation may be inspected by the TexAmericas Finance Department and reasonable efforts should be made to comply with suggestions for improved safety.

- d. Each cash handler is responsible to see that their cash drawer, cash bag, or cash box is locked when they leave their station. No funds are to be left unattended and unsecured.
- e. During non-business hours and during business periods where access to cash is not required, all funds are required to be stored in a locked vault, safe, or approved cash storage drawer. Large amounts of cash may also be stored offsite at TAC's banking depository, if practical.
- f. Safes, vaults, or storage drawers should be reasonably positioned so that they are not visible to the public. Partitions, rugs, or barriers should normally be positioned to obscure cash storage receptacles.
- g. Vault combinations should be limited to the smallest number of individuals practicable, given the business needs of the work unit.
- h. Vault or safe combinations should never be written down in the cash-handling area. Safe combinations held by individuals who serve as back up to the everyday users of the safe, who may need to write down this combination, should keep the combination securely offsite, or on their person.
- i. When an individual who knows the vault or safe combination leaves TAC employment, the safe combination should be changed promptly.
- j. Duplicate keys will be placed in a locked key box under dual control.
- k. It is the cash handler's responsibility to immediately notify their supervisor in the event a key is lost (or if a combination is compromised). No replacement key should be made, but the lock (or combination) on the cash receptacle in question will be promptly replaced or changed, as appropriate.

4. **TRANSFERRING AND/OR TRANSPORTING FUNDS**

It is TAC's policy to require witnessed cash counts and reconciliations whenever TAC funds change hands. Individual accountability may only be maintained by protecting the chain of custody.

5. **RECONCILING AND DEPOSITING FUNDS AND RECORDING TRANSACTIONS**

- a. Weekly or bi-weekly deposits should be made when possible.
- b. The cash-handling and accounts receivable functions should be separate.
- c. Independent of the cash-handling operation, periodic reconciliation of bank accounts should be performed, and reconciling items should be identified. Management information reports should be prepared and submitted to department management to ensure that all reconciling items are appropriately resolved.
- d. Cash receipts documents should be prepared promptly. Additionally, the documents should be forwarded to the Finance Department for prompt recording to the general ledger.

6. **HIRING, TRAINING, AND EVALUATING CASH HANDLING POSITION**

a. Minimum Hiring Qualifications:

An individual may not serve in a TAC cash-handling capacity that has a criminal conviction (within the last five years) for a felony. Any conviction for theft or moral turpitude permanently disqualifies an individual from serving in a TAC cash – handling role.

b. Cash-Handling Training:

All individuals required to handle TAC funds should be properly trained to do so.

7. **WRITTEN ROBBERY PROCEDURES**

- a. Each area routinely handling cash should have established procedures for use should a robbery take place. Cash handlers should be instructed in how to act during and after a robbery to ensure their safety and that of co-workers.
- b. Each department should consult with local law enforcement, where practical, on the development of robbery procedures for their cash-handling environment.

8. **RECORD RETENTION REQUIREMENTS**

- a. According to the Local Records Retention Schedule of the Texas Local Government Code, all cash collection sites are required to retain records pertaining to cash handling for three years after the close of each fiscal year. Electronic records are acceptable.

9. **MISCELLANEOUS PROVISIONS**

- a. TAC shall only accept United States legal tender currency and coins for all transactions. Foreign coins and/or currency cannot be accepted for any transactions.
- b. TAC does not accept unrolled coins more than 50 coins, per single business day, for any debts owed to TAC by a citizen or a business.
- c. Citizens making payments in coins are required to remain present until completion of the transaction, which is normally upon the issuance of a receipt.
- d. TAC will normally require that proper identification be indelibly placed or written upon each coin roll (i.e., Name and Account Number).
- e. A *maximum* of 25 rolls of coins may be accepted on a single business day.
- f. The submitter will be responsible for any identified shortages once payment is validated by the TAC's financial institution.

g. Counterfeit Currency

1. All large denomination currency should be carefully checked to determine its authenticity.
2. The cash handler should check the following characteristics to determine the authenticity of the currency in question:
 - i. Texture.
 - ii. The presence of colored fibers.
 - iii. Color – shifting ink.
 - iv. Look for an appropriate watermark for that particular series of bills.
 - v. Ensure that there are unique serial numbers in sequential or multiple bills.
 - vi. Sharp printing with raised lines.
 - vii. The presence of a security thread.
 - viii. The presence of a security ribbon.
 - ix. UV light.
 - x. Counterfeit detection pen.