

# Cash Management Policy

Knox County Housing Authority  
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## Article I. Purpose / Scope of the Policy

**Section 1.01** The Knox County Housing Authority follows the best practices when it comes to cash management. These practices followed are outlined in our Procedure Manual for the Finance Office. This document discusses how cash is managed at the Knox County Housing Authority.

## Article II. Cash Receipts

**Section 2.01** The policy is to have accurate internal control of cash receipts. that deposits will be maintained at all time, and cash deposits will be made within 24 hours of each of the first five days of every month and then weekly for the rest of the month.

**Section 2.02** The purpose is to establish procedures that will be followed for the receiving, applying, and depositing of cash receipts; and for the handling of cash overages/shortages.

**Section 2.03** This procedure applies to all cash receipts received by the Housing Authority.

## Article III. Bank Account Reconciliations

**Section 3.01** The policy is that there can be errors or omissions that can be made to the cash records due to the many cash transactions that occur. Therefore, it is necessary to prove periodically the balance shown in the general ledger.

**Section 3.02** The purpose is to outline the procedures for preparation of a monthly bank reconciliation and recordkeeping of any adjustments.

**Section 3.03** This policy statement applies to all bank accounts maintained by the Authority.

## Article IV. Tenant Accounts Receivable

**Section 4.01** The policy, Accounting is responsible for the timely preparation and distribution of statements to optimize cash flow and payment promptness by tenants. Accounting will also maintain accurate records over accounts receivable and abide by proper internal controls.

**Section 4.02** To purpose is to explain the methods for preparation of statements and accounts receivable records processing.

**Section 4.03** This procedure applies to all rents and maintenance charges provided by the Housing Authority.

## **Article V. Accounts Payable and Cash Disbursements**

**Section 5.01** The policy is that Proper internal control will be followed to ensure that only valid and authorized payables are recorded and paid. Accounting procedures will be implemented to ensure the accuracy of amounts, coding of general ledger accounts and appropriate timing of payments.

**Section 5.02** The purpose is to explain the procedures for documenting, recording and issuing payments for accounts payable transactions.

**Section 5.03** This procedure applies to all purchases including COD amounts and reimbursement of travel and expense reports.

## **Article VI. Petty Cash**

**Section 6.01** The policy is that proper internal control will be followed to ensure only valid and authorized use of petty cash money. Property Managers will maintain accurate records over petty cash accounts and abide by proper internal controls. The maximum amount of petty cash each Amp will be \$50, Brentwood will be \$250, and Prairieland will be \$150.

**Section 6.02** The purpose is to explain the procedure for authorized use of petty cash money.

**Section 6.03** This procedure applies to all employees of the Knox County Housing Authority.