

 <p>JUSTICE AND PUBLIC SAFETY CABINET DEPARTMENT OF JUVENILE JUSTICE POLICY AND PROCEDURES</p>	<p>REFERENCES: 1-JDTP-1B-09, 10, 12, 17</p>
<p>CHAPTER: Day Treatment Services</p>	<p>AUTHORITY: KRS 15A.0652</p>
<p>SUBJECT: Use of Non-Governmental Funds and Youth Activity Funds Account</p>	
<p>POLICY NUMBER: DJJ 1032</p>	
<p>TOTAL PAGES: 4</p>	
<p>EFFECTIVE DATE: 4/05/2019</p>	
<p>APPROVAL: Carey D. Cockerell , COMMISSIONER</p>	

I. POLICY

A youth activity fund account may be established for provision of services or needs of students in the program. The youth activity fund may include funds collected through private donations or work projects. Each program shall manage and report the appropriate use of these funds. A special account may be established and utilized at programs where the program collects and holds staff Kentucky Employee Contribution Campaign (KECC) donations. These special accounts shall solely be used for these purposes.

II. APPLICABILITY

This policy shall apply to Department of Juvenile Justice (DJJ) operated day treatment programs.

III. DEFINITIONS

Refer to Chapter 1000.

IV. PROCEDURES

- A. DJJ day treatment programs shall establish a youth activity account fund, where funds are collected through work projects, sales of articles produced by students, and private donations.
- B. DJJ operated day treatment programs may establish a special account for staff KECC donations. Specific accounting procedures shall be maintained and detailed by the program. Staff flower, coffee, and water funds shall be in private accounts not tracked or maintained by the Department.
- C. A petty cash fund of no more than \$100 from the account may be maintained on site. Petty cash shall only be used to generate change for cash sales from the youth activity account fund and shall not be used to make purchases. Cash

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on hand shall be secured by the trustees in a locked box or cabinet with appropriate key control.

- D. All monies collected at the program shall be placed in a designated and secure location daily.
- E. Youth activity funds shall be kept in one bank account that is referred to as the youth activity fund account. The facility shall maintain an acceptable accounting system necessary to ensure an accurate accounting of these funds. Any interest earned on monies other than operating funds shall accrue to the benefit of the student.
- F. The Superintendent shall serve as primary trustee of all non-governmental funds and accounts. The office coordinator shall be the secondary trustee of all non-governmental accounts. A third trustee for all non-governmental accounts may be designated by the Superintendent. The final trustee, for all accounts, shall be the non-governmental accounts contact person in the Fiscal Branch.
- G. All checks written from the non-governmental accounts shall require two signatures from the trustees.
- H. Bank statements for each account shall be reconciled monthly by the office coordinator.
- I. The Superintendent shall:
 1. Review the accounts monthly,
 2. Certify the accuracy of the deposits along with the disbursements, and
 3. Review and sign the monthly account reconciliations.
- J. The program shall maintain a sub-ledger for the youth activity funds. Each sub-ledger shall record receipts, disbursements, and maintain a positive balance.
- K. All disbursements of any fund shall be covered by a sufficient balance in the account at the time of expending or obligating. All disbursements of non-governmental accounts shall be properly documented with a receipt or invoice. All purchases shall be paid by check. All transactions from creating the disbursement to expending funds, to return of any unexpended funds with the accompanying receipt shall be concluded within thirty (30) school days.
- L. All incoming funds shall be documented as to the source and accompanied by a receipt voucher.
 1. Each receipt voucher shall indicate the date, source of funds, amount received, date deposited into the bank account and clearly identify the type of funds as either youth activity funds or KECC donations.
 2. Copies of all deposit slips shall be maintained with the receipt voucher.
 3. Deposits shall be made monthly or more frequently if needed.
 4. Incoming checks and monies shall be registered immediately in the appropriate fund ledger by the Superintendent or secondary trustee.
 5. Receipt voucher booklets shall be sequentially numbered and in triplicate.

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- M. All disbursements shall be documented on a disbursement voucher and shall include the check number, date, payee, amount, and a full description of the disbursement.
- N. Disbursements of \$500 or more from the youth activity fund account shall require documented prior approval by the Regional Director or Facilities Regional Administrator (FRA).
- O. The youth activity account fund shall not be used for disbursements for items or services for staff.
- P. Staff shall submit a travel voucher for reimbursement of pre-approved staff purchases for students, that are incurred while supervising students when off-grounds.
- Q. Any cost incurred through the performance of DJJ directed staff duties shall be reimbursable through a travel voucher.
- R. All properties valued at \$500 or more and purchased from the youth activity fund account shall be tagged and numbered in a permanent manner that cannot be removed. A separate inventory shall be maintained for the youth activity fund account property. An inventory of said properties shall be forwarded to the DJJ property officer to be noted as non-state properties and included for insurance purposes.
- S. Vehicles which require taxes, licenses and insurance shall not be purchased with the Youth Activity Fund Account.
- T. Voided checks shall be maintained with the checkbook.
- U. Cancelled check images shall be maintained with monthly bank statements. These records shall be maintained in the program for three (3) years from the date of audit by the Division of Administrative Services.
- V. For any unclaimed checks or outstanding monies that are over one (1) year old staff shall follow procedures outlined in Chapter 1 policies.
- W. If for any reason the program discontinues operation or discontinues a fund, the assets of the fund shall be frozen with no new activity obligations. The Superintendent or secondary trustee of the fund shall notify the bank and ask for an ending statement within forty-five (45) school days of the closure date. All records concerning the fund shall be forwarded to the Deputy Commissioner of Support Services. Upon receipt of this material the Deputy Commissioner shall issue specific instructions for the disposition of all cash and recreational equipment belonging to the fund.
- X. Each program shall include in its quarterly report a section entitled "Non-Governmental Accounts". This section shall contain a reconciliation for each bank account between the bank account balance and general ledger kept for that account. This quarterly report shall be forwarded through the chain of command.
- Y. At the end of each fiscal year, a report of all income and expenditures shall be sent to the Division of Administrative Services, Fiscal Branch.

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V. MONITORING MECHANISM

Each fiscal year, all non-governmental accounts shall be subject to auditing by the Fiscal Branch or other agents authorized by the Division of Administrative Services.