



# THE NEW YORK CITY DEPARTMENT OF EDUCATION

JOEL I. KLEIN, *Chancellor*

OFFICE OF SCHOOL SUPPORT SERVICES  
ERIC GOLDSTEIN, Chief Executive  
44-36 Vernon Boulevard, Long Island City, NY 11101  
Telephone: (718) 707-4300  
Fax: (718) 472-0615  
E-mail: [EGoldstein@schools.nyc.gov](mailto:EGoldstein@schools.nyc.gov)

## OFFICE OF SCHOOL SUPPORT SERVICES MEMORANDUM NO. FS7-2008

TO: **PRINCIPALS OF ALL DAY SCHOOLS  
ADMINISTRATIVE SCHOOL FOOD SERVICE MANAGERS  
ASSOCIATE SCHOOL FOOD SERVICE MANAGERS  
SCHOOL FOOD SERVICE MANAGERS**

FROM: Lawrence H. Weintraub *LH Weintraub*

SUBJECT: Handling of Office of SchoolFood and Nutrition Services Money

DATE: October 22, 2007

The purpose of this memorandum is to provide detailed instructions to Office of SchoolFood staff and school personnel responsible for the proper handling and safeguarding of SchoolFood money. **Cash handling procedures as outlined in this memorandum must be strictly adhered to at all times.**

### 1. **SECURING CASH IN A SAFE**

- 1.1 All money collected in the cafeteria must be kept in a safe that is locked at all times.  
*Where the cafeteria does not have a safe, money is to be retained in the school safe.*

Cash must not be hidden in file cabinets, desk drawers, storerooms, refrigerators, freezers or any other areas.

Checkbooks and checks awaiting deposit must also remain secured in the safe.

- 1.2 Only the School Food Service Manager or those individuals authorized to remove or place money into the safe (i.e., Bookkeeper or person assigned by the Manager) must know the safe's combination. It must be memorized, **not written**, to ensure security and should be opened and closed only by either of the authorized persons. Whenever possible, the other authorized person should be present as a witness. When staff is replaced, the combination must be changed.

2. **COUNTING MONEY FOR CAFETERIAS IN WHICH SCHOOLFOOD IS RESPONSIBLE FOR THE COLLECTION**

- 2.1 Receipts are to be counted by the cashier(s) and one other person in a private locked room, such as the Manager's office. The only persons authorized to have keys for this area are the Manager or the Manager's designee when the Manager is not present and the Principal. In addition, all doors leading into the kitchen and/or serving area shall be kept locked until serving time and shall be relocked immediately upon completion of service.
- 2.2 The cashier and bookkeeper (or assigned person) will each independently count the cash on hand (including the change fund). The cashier will record the number/value of bills and coins by denomination on a tally sheet. After the cashier confirms each total, the bookkeeper will record the denominations of bills and coins on the "Daily Proof of Cash" (DPC) Report (Attachment A). A computerized Daily Proof of Cash" worksheet is also available by logging on <https://mail.nycboe.net>. Click on "Public Folders" then "CENTRAL". Click "SCHOOLFOOD" then "FINANCE" and double click on "Daily Proof of Cash".
- 2.3 The Change Fund is deducted from the cash-on-hand to determine the actual cash receipts for the day. The Change Fund is then set aside, verified independently by the cashier and bookkeeper (or other assigned person) and placed in the safe for use the next day.
- 2.4 A final count is made of the remaining cash (cash receipts for the day) to verify the amounts shown on the DPC. Upon completion of the verification, the cashier will sign (not initial) the DPC for his/her station.
- 2.5 When all stations have been accounted for, the bookkeeper (or other assigned person) computes all totals on the DPC and performs either 2.6 or 2.7 and 2.8 below.
- 2.6 Cafeteria staff, in schools without bank collection accounts exclusively for food service receipts, will turn over receipts to the School Treasurer who will count the money in the bookkeeper's (or other assigned person's) presence and verify the receipt by signing a written receipt for the cash received. This receipt must be stapled to the DPC and kept on file.
- 2.7 Cafeteria staff, in schools with bank collection accounts exclusively for food service receipts, will place daily sealed bag of deposit slip and day's receipts in the safe until the deposit date.
- 2.8 On the deposit date, all available bags of receipts and deposit slips will be given to the security courier. Each bag that has been sealed and marked with the date of receipts is to be kept in the safe until the security courier arrives.

3. **COUNTING MONEY FOR POS CAFETERIAS ONLY**

- 3.1 Receipts are to be counted by two SchoolFood staffers in a private locked room, such as the Manager's office. The only persons authorized to have keys for this area are the Manager or the Manager's designee when the Manager is not present and the Principal. In addition, all doors leading into the kitchen and/or serving area shall be kept locked until serving time and shall be relocked immediately upon completion of service.

- 3.2 The two SchoolFood staffers will each independently count the cash on hand (including the change fund). The cashier will record the number/value of bills and coins by denomination on a tally sheet. After the cashier confirms each total, the bookkeeper will record the denominations of bills and coins on the “Daily Proof of Cash” (DPC) Report. A computerized Daily Proof of Cash” worksheet is also available by logging on <https://mail.nycboe.net>, Click on “Public Folders” then “CENTRAL”. Click “OSFNS” then “FINANCE” and double click on “Daily Proof of Cash”.
- 3.3 The Change Fund is deducted from the cash-on-hand to determine the actual cash receipts for the day. The Change Fund is then set aside, verified independently by the cashier and bookkeeper (or other assigned person) and placed in the safe for use the next day.
- 3.4 Emptying POS Kiosks
- At the Welcome or Off Line screen, enter your Service Code\_\_\_\_\_.
  - Select the **E** key. The Service Screen will open.
  - Select **1** – Print Bill Coin Receipts.  
The receipts will print. This resets the balance to \$00.
  - Remove the receipts from the kiosk.
  - A date screen will appear,
    - a) If you are removing cash for the last time today, leave the date set to tomorrow select the **E** key to return to the menu.
  - Select **2** – Go to Welcome Screen to return to the Welcome Screen.
  - Open kiosk using your key.
  - Remove the coins from the coin bin.
  - Remove the cash vault by pressing the button on the bottom of the cash vault, let it slide down, then remove.
  - Remove the cash from the cash vault and place it back in its original location.
  - Close and lock the kiosk.
- 3.5 A final count is made of the cash receipts for the day to verify the amounts shown on the DPC. Upon completion of the verification, the cashier signs (not initials) the DPC for the station or kiosk.
- 3.6 When all stations have been accounted for, the bookkeeper (or other assigned person) computes all totals on the DPC and performs other actions indicated below.
- 3.7 Cafeteria staff, in schools without bank collection accounts exclusively for food service receipts, will turn over receipts to the School Treasurer who will count the money in the bookkeeper’s (or other assigned person’s) presence and verify the receipt by signing a written receipt for the cash received. This receipt must be stapled to the DPC and kept on file.
- 3.8 Cafeteria staff, in schools with bank collection accounts exclusively for food service receipts, will place sealed bag of deposit slip and day’s receipts in the safe until the deposit date.
- 3.9 On the deposit date, all available bags of receipts and deposit slips will be given to the security courier. Each bag that has been sealed and marked with the date of receipts is to be kept in the safe until the security courier arrives.

4. **READING THE CASH REGISTER**

All cafeterias involved in cash handling must use cash registers. At the end of the day cash registers are to be read by someone other than the cashier, bookkeeper, or person acting as bookkeeper.

This is usually the Manager. Anyone who collects cash, counts cash or prepares the "Daily Proof of Cash Report" may not read the registers or handle register tapes until receipts are recorded on the Daily Proof of Cash Report.

5. **DEPOSITS**

Although directed primarily to High Schools, this section is applicable to all cafeterias in schools that maintain a collection account exclusively for deposit of School Food Service receipts.

5.1 For those cafeterias in schools for which SchoolFood provides armored car service, deposits shall be picked up and transported to the bank by the contracted armored car service. The armored car service will provide the Manager with a receipt listing the corresponding seal number of the bag.

5.2 Upon receipt of returned deposit slips from the bank, the Manager must verify the money deposited by comparing the slips to the "Daily Proof of Cash Reports". Any differences must be investigated immediately. If the differences remain uncorrected, the Associate School Food Service Manager for the district is to be notified. These steps must occur within the same day the deposit slips are returned to the school. In addition, if deposit slips are not returned within one workweek from the date of deposit, the Associate School Food Service Manager is to be notified. The deposit slips should be initialed and dated when reconciled. Attach returned deposit slips to "Daily Proof of Cash" reports.

5.3 The Associate School Food Service Manager (ASFSM) shall provide assistance to the Manager in reconciling all differences to include, but not limited to, reviewing all documents, examining deposit procedures, and contacting or visiting the bank. The ASFSM will immediately inform the Regional Coordinator of any and all unreconciled differences.

6. **BANK RECONCILIATIONS**

6.1 Individuals responsible for the handling and recording of cash transactions must not perform bank account reconciliation. School Food Service Managers are assigned the responsibility for performing all bank reconciliations. The SchoolFood Bank Reconciliation Statement ([Attachment B](#)) is to be used for this purpose. Earlier blank versions should be discarded. The attached copy of MIE-6 may be reproduced locally. An electronic bank reconciliation is also available by logging on <https://mail.nycboe.net>. Click on "Public Folders" then "CENTRAL". Click "SchoolFood" then "FINANCE" and double click on "SchoolFood Bank Reconciliation". Reconciliation must be performed within three working days after receipt of the bank statement. Copies of the bank statement and the completed SchoolFood Bank Reconciliation Statement will be sent to the District Field Office for review within ten working days from the date statement is received.

- 6.2 The ASFSM will review, initial and date all bank reconciliations. This review must be conducted within two working days from the date received from the school. The ASFSM shall review all new bank reconciliations with the Manager the next time they visit a school.
- 6.3 The ASFSM is assigned the responsibility for ensuring that all required adjustments have been recorded on a timely basis.
- 6.4 All public schools that maintain collection accounts for the sole purpose of depositing School Food Service receipts should be exempt from the payment of bank service charges. If the account is charged, a "Request to Establish a New Bank Account" form (refer to OSSS Memorandum FS4-2008) should be submitted by the principal to Mr. Alex Tajong, NYC Department of Education Room 1801, 65 Court Street Brooklyn. Until the new account is authorized, all service charges associated with the Food Service receipts should be shown as a (-) minus adjustment on MIE-2, Line 8.
- 6.5 A copy of the reconciliation shall be given to the School Treasurer.

## 7. **CASH COLLECTION AND DEPOSITS - ELEMENTARY SCHOOLS**

- 7.1 All student lunch money is collected on a regular schedule (daily, weekly or monthly) at the discretion of the principal. (*Note: Breakfast is served at no charge*) The school designee gives a count of breakfast and lunch service by eligibility category (free, reduced and full price) to the School Food Service Manager. Teachers pay the School Aide for their meals and receive a ticket that is given to the cafeteria employee. The school deposits all money.
- 7.2 At the end of each week, the school gives the Manager a check for all money collected for SchoolFood that week together with a "Cash Receipt Worksheet" (Form MIE-2). Refer to OSSS Memorandum FS2-2008.

## 8. **REPORTING OF THEFTS**

- 8.1 A theft must be reported immediately to the principal who will report it to the local police precinct.
- 8.2 A theft must also be reported to the Office of the Special Commissioner of Investigations (SCI), utilizing the intake phone number (212-510-1500). Obtain a log number for your report and forward all pertinent information to Ms. Lorraine Burke at [Lburke@schools.nyc.gov](mailto:Lburke@schools.nyc.gov). Further details on this requirement can be found in Ms. Burke's memorandum to field staff dated June 12, 2007.
- 8.3 The School Food Service Manager must notify the Associate School Food Service Manager verbally and confirm in writing with a letter stating the circumstances of the theft, amount missing, the local police precinct notified, case number and other pertinent information. Copies of this letter shall be sent to:
  - The Regional Coordinator (ADSFMSM);
  - Ms. Dianne Jones, Director of Field Operations,
  - 44-36 Vernon Blvd, Long Island City, NY 11101; AND
  - Ms. Laura Chan, Comptroller,
  - 44-36 Vernon Blvd., Long Island City, NY 11101

- 8.4 A copy of the letter should also be attached to the Cash Receipts Worksheet (MIE-2 form) submitted to support the minus adjustment.
- 8.5 Vandalism reports are to be sent to Office of SchoolFood, Field Operations. (Attachment D).

9. **Report of Cafeteria Cash Handling Form**

- 9.1 The attached "Cafeteria Cash Handling Internal Control Questionnaire" form is to be completed (in duplicate) by School Food Service Managers for each of his/her schools. (Attachment C).
- 9.2 This report is to be submitted to the Associate School Food Service Manager (ASFMSM) for review. The District Supervisor will review each report for compliance with the instructions contained herein and forward one copy of the report to SchoolFood Internal Audit, 44-36 Vernon Blvd., Rm. 417A, Long Island City, NY. 11101, by **October 19**.

If you need any assistance or have any questions regarding this memorandum please contact:

Ms. Laura Chan  
718-707-4375  
[LCHAN@schools.nyc.gov](mailto:LCHAN@schools.nyc.gov)

APPROVED:



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ERIC GOLDSTEIN

**ATTACHMENT A**

Bag #: \_\_\_\_\_

**DAILY PROOF OF CASH**

Ticket #: \_\_\_\_\_

School Name: \_\_\_\_\_

Code #: \_\_\_\_\_

District #: \_\_\_\_\_

DATE: **20**

DAY: \_\_\_\_\_

SIGNATURE, CHANGE FUND RECEIVED										
DENOMINATIONS OF BILLS AND COINS	BANK DEPOSIT	BREAKFAST	STATION 1	STATION 2	STATION 3	STATION 4	STATION 5	STATION 6	TEACHERS' CAFETERIA	TOTAL
\$20 BILLS	X \$									
\$ 10 BILLS	X =									
\$ 5 BILLS	X =									
\$ 2 BILLS	X =									
\$ 1 BILLS	X =									
\$ 1 COINS	X =									
HALF DOLLARS	X =									
QUARTERS	X =									
DIMES	X =									
NICKELS	X =									
PENNIES	X =									
(a) TOTAL CASH ON HAND										
(b) DEDUCT CHANGE FUND										
(c) CASH RECEIPTS FOR DAY / TOTAL DEPOSIT (a-b)	=									
SIGNATURE OF CASHIER										
(d) REGISTER READING										
SHORTAGE (c-d)										
OVERAGE (c-d)										
REGISTER RESET NUMBERS										
PREVIOUS										
CURRENT										

\_\_\_\_\_  
(BOOKKEEPER OR EMPLOYEE COUNTING MONEY) SIGNATURE

EXAMINED \_\_\_\_\_  
FOOD SERVICE MANAGER'S SIGNATURE

**ATTACHMENT B**

OFFICE OF SCHOOL FOOD AND NUTRITION SERVICES  
Bank Reconciliation  
7/5/2007

School: \_\_\_\_\_ Manager's Name: \_\_\_\_\_  
MIE #: \_\_\_\_\_ DISTRICT: \_\_\_\_\_ Bank Statement Ending Date: \_\_\_\_\_

1 Enter the ending Balance on the Bank Statement:

2 Enter all outstanding deposits not listed on the bank statement:

[help](#)

Date	Amount	Date	Amount
1		8	
2		9	
3		10	
4		11	
5		12	
6		13	
7		14	

Total Outstanding Deposits

3 Enter all outstanding checks that do not appear on the bank statement:

[help](#)

Check#	Amount	Check #	Amount
1		8	
2		9	
3		10	
4		11	
5		12	
6		13	
7		14	

Total Outstanding Checks

4 Enter the ending balance as it appears in the checkbook:

5 Enter and explain all bank fees listed on the bank statement but not in the checkbook:

[help](#)

Amount	Explanation
1	
2	

Total Bank Fees

6 Enter and explain any interest income and/or credit memos received from the bank, not listed in the checkbook

[help](#)

Amount	Explanation
1	
2	

Total Interest/Credit Memos

7 Reconciled statement balance:

8 Reconciled checkbook balance:

**Your Bank Statement reconciles**

9 Difference:

Explanation of difference:

Manager's Signature: \_\_\_\_\_

Date: \_\_\_\_\_



**ATTACHMENT C**

**CAFETERIA CASH HANDLING CONTROL QUESTIONNAIRE**

This report is to be prepared by the SchoolFood Managers for **all** cafeterias. The supervising Associate SchoolFood Manager will review and submit **by December 15, 2007 to Internal Audit**, Office of School Food, 44-36 Vernon Boulevard, Room 417A, Long Island City, NY 11101. If during the school year there is a change of staff, please forward an updated questionnaire.

**DISTRICT** \_\_\_\_\_ **SCHOOL YEAR:** September 2007 to June 2008

**MIE CODE** \_\_\_\_\_

**SCHOOL NAME** \_\_\_\_\_

**SFSM'S NAME** \_\_\_\_\_

**SFSM'S SIGNATURE** \_\_\_\_\_

**TODAY'S DATE** \_\_\_\_\_

**Does this site collect money?** **YES** \_\_\_\_\_ **NO** \_\_\_\_\_

Is cash handling done by SCHOOLFOOD employee(s)?

**YES.** Complete questions 1 through 9. **PLEASE PRINT ALL NAMES**

**NO.** Skip questions 1 through 9 and submit to your District Field Office.

**1. Names of All Personnel Knowing Combination of Safe:**

1. \_\_\_\_\_ 2. \_\_\_\_\_

**Names of All Cashiers:**

**Student Service Line**

**A la Carte**

**Teacher's**

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**3. Names of individuals responsible for counting money with the cashiers:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**4. Name of individual responsible for reading cash registers:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**5. Number of registers: At this location: \_\_\_\_\_**

**In Service: \_\_\_\_\_**

**Required: \_\_\_\_\_**

**6. Name and title of individual responsible for preparing the bank deposit:**

\_\_\_\_\_

**7. Name of Armored Car Service: \_\_\_\_\_**

Days of Scheduled Pick-Up: \_\_\_\_\_

**8. Name of employee depositing money: \_\_\_\_\_**

Title: \_\_\_\_\_

Day of the week money is deposited: \_\_\_\_\_

**9. Name of School Treasurer or Administrator:**

\_\_\_\_\_

**ATTACHMENT D**

**New York City Department of Education - SchoolFood  
BREAK - IN REPORT 2007-2008**

DATE \_\_\_\_\_ SCHOOL \_\_\_\_\_ MIE# \_\_\_\_\_ SFSM \_\_\_\_\_

**DESCRIPTION OF INCIDENT:**

FOOD ITEM	QUANTITY	DONATED	PURCHASED	COSTS	
				UNIT	TOTAL

EQUIPMENT	MAKE	MODEL	SERIAL#	COSTS	
				REPAIR	REPLACE

OTHER SUPPLIES	QUANTITY	COSTS	
		UNIT	TOTAL

PRINCIPAL NOTIFIED?

PRINCIPAL NOTIFY POLICE?

POLICE PRECINCT NUMBER?

CASE NUMBER?

School Food Service Manager Signature \_\_\_\_\_

Signature of Supervisor \_\_\_\_\_