

Safeguarding of Assets

Resources:

- 01-03 01 Forms and Instructions documents such as: [Key log example](#) and [Employee Termination Checklist](#),
- [Gift Card Google Sheet Log](#) for use in specialty courts (be sure to make a copy to save to your Google File).
- ([See CJA Rule 3-408](#))
- Manual [Cash Count form](#)
- [“Custody of Court Records” Form](#)

Purpose:

Summarize and consolidate various policies/procedures related to the safeguarding of assets handled by court employees. Links to detailed policy/procedure are referenced, if applicable. Court management should ensure policies and procedures are followed to make sure assets handled by court employees are properly safeguarded. Although ultimate responsibility for ensuring court assets are properly safeguarded rests with management, each court employee has a role to make certain policies/procedures are followed. The following policies and procedures pertain to safeguarding all accounting records, receipts, checks, monies, etc. handled by the court.

Policy:

Elements of Internal Control - Keys and Dual-Control Key Box Controls

1. Key locking devices must be used by employees to safeguard assigned assets, e.g. cash/checks stored in a cashier's cash drawer/box, evidence storage areas, cash change fund, hand receipt books, etc. Only a safe can be equipped with a combination lock.
2. An employee who is assigned a key to a locking device must keep the key on his/her person throughout the day and take the key home at night. When an employee terminates, cards and keys shall be returned. (See [Employee Termination Checkout List](#)).
3. A key box is to be used to store and restrict access to all duplicate keys. The key box should be equipped with two unique locks. Two authorized employees, each with one of the unique keys, should access the key box to

retrieve a duplicate key when necessary. The two authorized employees should access the asset together under dual control in the custodian's absence.

(See: [Dual Log example](#))

4. A [Key Assignment Log](#) is maintained by a key log custodian listing the number of keys to each locking device, the employee(s) to whom a key is assigned/returned, and the employee's signature. (See: [Key Assignment Log](#))
5. If a court has a drop box, the key and any duplicate keys should be stored in a dual-control key box. A clerk and second employee (clerk, probation officer, etc.) obtains the key, retrieves the payments from the drop box, and process as a mail payment. (See link to Over Counter Payment topic and Mail Payment Sections.)

Elements of Internal Control - Cash Controls

6. Monies should be receipted in an efficient and business-like manner. It is recommended that each clerk be provided a cash tray to place inside a locked counter drawer to organize the cash change fund and monies.
7. Each clerk's locked device, containing the monies they receipted and/or Cash Change Fund portion, should be stored in the safe/vault overnight and weekends.
8. If a clerk is not assigned cashiering duties on a particular day, the locked device containing the clerk's Cash Change Fund portion should remain secured in the safe/vault.
9. A key or combination lock to the room where a safe that is stored and/or to a safe must be changed when either:
 - a. an employee no longer should have access (duties change/termination) or
 - b. the combination has been compromised.
10. Unused tamperproof depository bags and deposit slip books should be secured in a locked device and access limited to clerks assigned deposit verification and preparation duties per Separation of Duties.
11. The deposit clerk, who receives monies receipted after verification, should restrict access to the monies (locking bank bag, cash box, or plastic depository bag) until the deposit is delivered to the bank/picked up by the armored car service.
12. If the deposit(s) must be held overnight/weekend, the secure device(s) should be stored in the safe/vault.

Elements of Internal Control - Mail Controls

13. Mail should be opened by two individuals. Once opened and logged, mail payments should be secured until delivered to a cashier for receipt or until receipted.

Elements of Internal Control - Fixed Assets and Inventory Controls

14. Safeguarded and accounting for fixed assets/inventory shall be as per Rule 3-408.
15. The principles of inventory control applies to all specialty courts who use inventory of any type as a currency to promote desired behaviors. When drug court participants violate drug court rules and the treatment team imposes a sanction for this violation - usually by imposing community service hours - with the option that the participant can provide gift cards instead of performing the community service (typically 2 - \$10 gift cards instead of 2 hours of community service), the court shall designate a member of the court as a custodian to maintain an [inventory/log](#) of all gift cards received and their subsequent distribution. The custodian of the gift cards must keep the cards secure when not in use and in a locked device only accessible by the custodian. The log includes the following information:
 - a. Date received
 - b. Participant's name who provided the card
 - c. Vendor name of gift card
 - d. Value of the card
 - e. Serial number on the gift card
 - f. Expiration Date
 - g. Name of recipient of gift card and case number
 - h. Date recipient received the gift card
 - i. The custodian shall ensure a 1099 tax form is filed for any recipients receiving gift cards amounts of \$600 or greater in a calendar year.

Elements of Internal Control - Other Controls

16. Check stock shall be secured by the check stock custodian.
17. Unassigned hand receipt books shall be secured in a locked device accessible only by the custodian. Cashiers shall secure their assigned book at all times.
18. A court employee assigned a Court Purchasing Card must keep the card secured when not in use.
19. In the event accounting records are to be transported to another site for temporary reasons (e.g. external reviews) the records moved should be documented on a "check out" form. It is suggested a copy either be given to the transporter or scanned to the district's shared drive. (See example ["Custody of Court Records."](#))
20. Management is responsible for ensuring computer access rights are limited for certain functions. Only authorized personnel should approve "reversals."
21. There is nothing in the law which prohibits employees from independently joining together to create a fund for special occasions experienced by employees (i.e. employee initiated award fund, wellness check, candy kitty, office parties, etc.) It is important that we do not give any official sanction or guidelines on these particular funds. (See Section [07-00.05 Prohibitions](#) and Legal [Opinion 5/14/10.](#))
22. If a court site participates in **PEHP** Wellness Councils and receives a check, it should be made out to an individual. Because Healthy Utah Wellness checks

are not state funds, the courts' name should not appear as a payee on the check. All funds are the responsibility of local wellness councils.