

CENTRAL SERVICES PROCEDURE—ACCOUNTING

BENEFIT-RELATED CASH RECEIPTS

Purpose: To maintain adequate internal controls for benefit-related cash receipts.

Payment Types:

The District currently has three (3) types of benefit-related cash receipts:

1. YCCD Retiree Payments (for health, dental, and vision)
 2. YCCD COBRA Payments (for health, dental, and vision)
 3. YCCD Worker's Compensation Payments (from JT²)
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YCCD Retiree & COBRA Payments:

Special mailing labels will be used for retirees and COBRA subscribers. The mailing labels will indicate that payments must be mailed to:

YCCD Accounting
Attn: Lori Williams

When Accounting receives payments with these special mailing labels, staff will date stamp the checks and place them in the "Benefits" folder located in the fireproof cabinet in AP. Any "notes" that accompany payments will be sent to Benefits immediately. At times, benefit payments are made in person. In this case, receipts are available upon request. Each Monday, all benefit-related cash receipts collected during the previous workweek will be logged. The log sheet entry will be a one-line entry showing "YCCD Benefits" and the total number and dollar amount of checks and cash received. Accounting will alphabetize checks prior to photocopying them. (*Note: No more than three checks are to be copied to a page, pages may be duplexed.*) Additionally, Accounting will make a second set of check copies for Benefits (and deliver to the Benefits Office when the Cash Receipts Log is completed). A single cash receipt for that week will be made out to "YCCD Benefits-Insur Reimb." Payments will be credited to clearing account #11-0000-7210-672002-57910. A copy of the receipt will be placed in Benefits' mailbox. The original cash receipt will be filed with the other cash receipts for that day.

Prior to the 15th of each month, Benefits will submit to Accounting a schedule of benefit-related cash receipts collected during the previous month. The report will show totals by account number. Accounting will then reclassify the receipts from the clearing account to the proper benefit account via journal entry.

COBRA payments are due within 30 Days from previous 1st of month. If a COBRA premium is not received by this time, the payment is delinquent. The Benefits Office will review COBRA premiums due. If a COBRA premium is delinquent, the Benefits Office (Kathren Pritchard) will e-mail Accounting (Lori Williams) and cc: Dora Lopez, & Deborah Campbell. The e-mail will advise of premium(s) that should not be accepted/or deposited if brought/mailed in by subscriber. If premium(s) are received by mail, they will be forwarded to the Benefits Office. Benefits will return the premium to the subscriber. Accounting will refer subscriber(s) to the Benefits Office with any questions.

YCCD Workers Compensation Payments:

Special mailing labels will be used for JT². The mailing labels will indicate that payments must be mailed to

YCCD Accounting
Attn: Lori Williams

Checks from JT² will be logged daily with other checks received. The log sheet entry for worker's compensation payments will be a one-line entry showing "JT²" for each employee and the total number and dollar amount of checks received for that employee. Accounting will photocopy "JT²" checks, including remittance advice (*each check on a full sheet of paper portrait style*). Additionally, Accounting will make a second set of check copies for Benefits. Payments will be abated to the appropriate salary account. A copy of the receipt will be stapled to the second set of check copies (in the upper right hand corner of the receipt, one (1) staple only), and placed in Benefits' mailbox. The original cash receipt will be filed with the other cash receipts for that day.

Effective Date: 07/1997

Updated: 06/2010

Questions: Deborah Campbell, Controller (X6527)