

CHAPTER 10. SAFEGUARDING FUNDS AND OTHER VALUABLES

- 10-1. PURPOSE. This chapter provides guidelines for establishing adequate security measures in all HUD cash handling locations. The supervisor of each cash receiving and depositing point should establish security safeguards based on local conditions, volume of collections and physical layout.
- 10-2. EMPLOYEES HANDLING FUNDS. It is the policy of HUD to limit the handling of funds and other valuables to as few employees as necessary to accomplish efficient and effective operations.
- a. Remittances shall always be kept in an authorized secured safekeeping facility when not attended.
 - b. As each group of remittances is accumulated daily, the individual items shall be promptly endorsed for deposit and:
 - (1) placed in the secured desk of the receiving clerk (the actual safeguarding employee) during the day and
 - (2) placed in a locked container in the office safe overnight and on non workdays.
 - c. Special "cash" safeguarding procedures are provided in paragraph 5-3b.
- 10-3. LIMITED SHIFTING OF FUNDS. Once an employee, acting as or for a receiving clerk, obtains possession of and initials the receipt-date stamp of a collection item, there should be no shifting of such funds until they have been joint-checked, covered under the Losses-in-Shipment procedure, and sent for deposit.
- a. Transfer of Funds. In the event an employee has to break their fiscal duties before deposit, because of leave or the like, they should turn their accumulated funds over to another qualified employee by listing on an adding machine tape all amounts and their total being transferred and the date. Along with this should be the key to the compartment or box in the office safe.

- b. In the event of an unexpected absence, the supervisor will act for the absentee by preparing the adding machine tape and having the substitute acknowledge

receipt of the funds as indicated above. The extra key will be used by the supervisor in opening the safe compartment or box involved.

c. Upon return of the regular receiving employee, the substituting employee should complete the remittance processing cycle through depositing with respect to funds in his/her possession.

10-4. REMITTANCES NEGOTIABLE BY INDIVIDUALS. When cash or checks and money orders are received that are payable to or negotiable by individuals, special treatment must be provided as set forth in Chapter 5. All funds and other valuables must be carefully safeguarded at all times.

10-5. CLOSE-OF-BUSINESS SAFEGUARDS. All mail which contains remittances that is not completely processed by the close of business must also be placed in the office safe overnight. If space in the safe is inadequate, these items shall be placed in a locked cabinet or other locked compartment.

10-6. TRANSMITTING DEPOSITS. The insuring against Loss-in-Shipment (P.L. 75-192) procedures are set forth in Handbook 1911.1, Reference 1. These procedures must be strictly followed in making deposits.