

**The County of San Bernardino  
Department of Behavioral Health**

**Prepaid Cards Procedure**

Effective Date 03/18/10  
Approved Date 03/18/10

  
Allan Rawland, Director

**Purpose** The purpose of this procedure is to provide staff with consistent steps to follow to purchase and issue Prepaid Cards.

**Designating and Changing Fund Custodians**

**Fund Custodian Designation**

The program Manager who has requested the commencement of a Prepaid Card program will receive a request from Admin./Fiscal to designate a Fund Custodian. A [Signature/Fund Custodian Authorization](#) form and questionnaire will be sent directly to the Fund Custodian for signature and completion. The Fund Custodian will complete the documents and file them with DBH-Admin/Fiscal Services.

To make a change to the Fund Custodian, contact Admin./Fiscal.

To file a [Signature/Fund Custodian Authorization](#) form, send it to:

0026 DBH – Admin./Fiscal Services  
Attention: Administrative Supervisor I – General Accounting

**Requesting A Prepaid Card Program**

Programs are to submit all requests to purchase Prepaid Cards, as defined, on the DBH [Purchase Request](#) form, via email. Admin./Fiscal Services will request the selection of someone as Fund Custodian.

**Note: CAL CARDS ARE NOT TO BE USED TO PURCHASE PREPAID CARDS, AS DEFINED.**

Requests to increase the amount of Prepaid Cards to be distributed by a Cost Center/Location must be submitted in writing to:

0026 DBH – Admin./Fiscal Services  
Attention: Administrative Supervisor I – General Accounting

Requests to decrease the amount of inventory or discontinue Prepaid Card distribution by a Cost Center/Location must be submitted in writing to:

0026 DBH – Admin./Fiscal Services  
Attention: Administrative Supervisor I – General Accounting

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# The County of San Bernardino Department of Behavioral Health

## Prepaid Cards Procedure, Continued

**Monthly Inventory**

The steps below are to be followed to conduct a Monthly Inventory, as defined:

Step	Action
1	The inventory will be made on the last day of the month or on the first (1 <sup>st</sup> ) business day of the month if the last day of the month falls on a weekend or a holiday.
2	Two staff members, as defined, will be assigned to conduct the inventory and the Fund Custodian will witness the inventory
3	<p>The staff members, as defined, assigned to conduct the inventory will:</p> <ul style="list-style-type: none"> <li>• Count the number of Prepaid Cards on hand for the Cost Center(s)/Location(s) for which the observing Fund Custodian is responsible</li> <li>• Record the inventory on the <a href="#">Prepaid Cards Inventory Sheet</a></li> <li>• Complete a separate inventory sheet for each Cost Center/Location</li> <li>• Research and resolve any differences between the physical inventory and the program's recorded inventory</li> <li>• Document all shortages immediately</li> <li>• Refer all shortages immediately as defined, as a breach and follow the additional provided instructions</li> </ul>
4	The Program Manger or designee, as defined, will review and sign the Inventory Sheet.
5	<p>An assigned staff member will:</p> <ul style="list-style-type: none"> <li>• Make a copy for the program files</li> <li>• Submit the original signed inventory sheet no later than the fifth (5<sup>th</sup>) business day of the following month to: 0026 DBH – Admin./Fiscal Attention: Administrative Supervisor I – General Accounting</li> </ul>

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# The County of San Bernardino Department of Behavioral Health

## Prepaid Cards Procedure, Continued

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### Annual Inventory

An Annual Inventory, as defined, is conducted in the same manner and with the same staff assignment requirements as a Monthly Inventory, to be completed on June 30 each year. In addition, the Annual Inventory Report includes:

- A reporting form provided to each Fund Custodian
- Copies of the continuous written log kept by the Fund Custodian, documenting all fiscal year transactions, such as are contained on the monthly [Prepaid Cards Reconciliation Sheet](#)
- Copies of all documentation related to investigations of differences discovered during reconciliations
- A list of vendors or brokers used to obtain Prepaid Cards
- Copies and the originals of the fiscal year's [Request to Distribute Prepaid Cards](#) forms

The original signed report is to be copied for program files and submitted no later than the second (2<sup>nd</sup>) business day of July to:

0026 DBH – Admin./Fiscal Services

Attention: Administrative Supervisor I – General Accounting

**Note:** The Annual Inventory and the Annual Reconciliation may be submitted together.

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### Monthly Reconciliations

Monthly Reconciliations, as defined, are conducted as follows:

Step	Action
1	The inventory will be made on the last day of the month or on the first (1 <sup>st</sup> ) business day of the month if the last day of the month
2	The Fund Custodian or a designated staff member, as defined, will complete the <a href="#">Pre Prepaid Cards Reconciliation Sheet</a> for each Cost Center/Location

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# The County of San Bernardino Department of Behavioral Health

## Prepaid Cards Procedure, Continued

**Monthly Reconciliations**  
(continued)

Step	Action
3	<p>The reconciliation will include:</p> <ul style="list-style-type: none"> <li>• The total amount of cards on hand from the last two monthly inventories, to be calculated as follows:               <ul style="list-style-type: none"> <li>○ Use the total amount from the older inventory as the beginning amount</li> <li>○ Use the total amount from the more recent inventory as the ending amount</li> <li>○ Determine from the Fund Custodian’s continuous written log the total new cards that were received (if any) during the period between the two inventories in the first bullet</li> <li>○ Determine from the Fund Custodian’s log the total cards distributed (if any) during the period between the two inventories in the first bullet (These cards are no longer possessed by DBH – they have either been transferred to another Cost Center for further distribution, or have reached their final intended user/recipient.)</li> <li>○ Take the beginning amount, add the receipts from the second bullet, and subtract the distributions from the third bullet. The resulting amount must equal the first bullet ending amount</li> </ul> </li> <li>• Research and resolve any differences</li> <li>• Immediately document and report all shortages as defined, as a breach and follow the additional provided instructions</li> </ul>
4	The Program Manger or designee, as defined, will review and sign the Inventory Sheet.
5	<p>An assigned staff member will:</p> <ul style="list-style-type: none"> <li>• Make a copy for the program files</li> <li>• Submit the original signed inventory sheet no later than the fifth (5<sup>th</sup>) business day of the following month to: 0026 DBH – Admin./Fiscal Attention: Administrative Supervisor I – General Accounting</li> </ul>

**Annual Reconciliations**

An Annual Reconciliation, as defined, is conducted in the same manner and with the same staff assignments as a Monthly Inventory. The forms are sent from Admin./Fiscal, to be completed on June 30 each year. The original signed documents are to be copied for program files and submitted along with copies of the fiscal year’s Request to Distribute Prepaid Cards forms by the second (2<sup>nd</sup>) business day of July to:  
0026 DBH – Admin./Fiscal Services  
Attention: Administrative Supervisor I – General Accounting

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# The County of San Bernardino Department of Behavioral Health

## Prepaid Cards Procedure, Continued

**Distributing  
Prepaid Cards**

Prepaid Cards as defined, are to be distributed under strict controls. These steps are to be followed:

Step	Action
1	<p>A DBH staff member completes a <a href="#">Request to Distribute Prepaid Cards</a> form to request a Prepaid Card, as follows:</p> <ul style="list-style-type: none"> <li>• Use permanent ink</li> <li>• Complete every line</li> <li>• Sign and date the request</li> </ul> <p><b>Note:</b> Do not line through or allow anyone else to line through any names or signatures on this form.</p>
2	An assigned staff member other than the Fund Custodian will approve and sign the Prepaid Card request. The approving staff member must be of a higher-ranking job code than the requesting staff member
3	The requesting staff member presents the Prepaid Card request to the Fund Custodian.
4	The Fund Custodian writes an entry on the continuous written log and transfers the Prepaid Card to the requesting staff member.
5	The requesting staff member signs the written log to document receipt of the cards.
6	The requesting staff member distributes the Prepaid Card(s) to the named recipient(s).
7	The Prepaid Card recipient(s) prints and signs their name(s) and the date on the Prepaid Card request to document receipt of the Prepaid Card(s).
8	The requesting staff member returns the Prepaid Card request form and any undistributed cards to the Fund Custodian.

**Note:** DBH staff must also follow any documentation requirements specific to the program (or function) from which the Prepaid Cards are being distributed.

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## Prepaid Cards Procedure, Continued

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**Fund  
Custodian  
Continuous  
Reconciliation**

Fund Custodian documentation continues after the Prepaid Card request form is returned by the requesting staff member. The documentation includes:

Step	Action
1	Check the returned Request for Prepaid Cards form to ensure dates or signatures have not been lined through.
2	Count all Prepaid Cards that were not distributed.
3	Reconcile cards transferred to the requesting staff member and any returned cards with the total amount requested.
4	Return all undistributed cards back to the card inventory.
5	Adjust the written log accordingly.
6	Copy the Request to Distribute Prepaid Cards form for annual reporting.
7	Place the original documents and the copies in a locked area that is only accessible to authorized DBH Fiscal staff.

**Note:** Only redacted Request to Distribute Prepaid Card forms will be made available for audit purposes, according to HIPAA regulations.

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**Related Policy  
or Procedure**

County Auditor/Controller-Recorder (ACR): [ACR Internal Controls and Cash Manual](#)  
[DBH Standard Practice Manual](#)

- BOP3030: [Prepaid Cards Policy](#)
- CLP0832: [Bus Pass Policy](#)
- CHD0315: [Children's Voucher Guidelines](#)

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