

**TOWN OF GREENVILLE
DEPARTMENTAL RECEIPT POLICY**

Purpose

To establish policies and procedures for efficient handling and timely turnovers of Town Moneys collected by departments, boards and commissions.

Organizations Affected

All departments, boards, and commissions of the town involved in the collection of money.

Definitions

Petty Cash – an amount of money assigned to a department or division, to be used for small purchases or as a cash drawer for making changes for customers. The amount remains constant and many include cash, checks, coins or receipts for purchases.

Policy

The policy for Petty Cash and the deposit of money collected by departments is as follows:

Petty Cash:

Petty Cash is for official business only, specifically the making of change to a customer or reimbursement of small amounts for items purchased by employees. Such reimbursements will be approved only upon presentation of the appropriate paid receipt. No employee shall use Petty Cash for personal business, even if the intent is to reimburse Petty Cash.

Departmental Collections:

When a department has collections in cash, coin, checks or other negotiable instruments that total \$500.00 or more, the turnover should be made to the Town Treasurer. If a department has on hand collections less than \$500.00, the monies are to be turned over to the Treasurer, at a minimum, once a week.

Petty Cash

Departments shall keep Petty Cash secure from public access and non-authorized employees.

Reimbursements from Petty Cash will be made upon presentation by the employee of the appropriate receipts and description of the purchase.

Departments should limit the amount of reimbursements made from Petty Cash to \$10.00 or less, though exceptions may be made.

Replenishments to departmental Petty Cash for purchases made shall occur by use of voucher made out with the department name, including the term Petty Cash, and submitted to the Town Administrator. All receipts or other documents supporting the charges shall accompany the voucher for reimbursement. The Town Administrator will then process a check for the replenishment of Petty Cash.

Collection of Moneys

Departments shall issue all customers a receipt at the time of collection of moneys.

Departments should be familiar with customers that may have presented bad checks in the past and should refuse future payments by personal checks from such customers.

Departments shall properly identify all receipts for accounting purposes.

Cash Out

All departments, on a daily basis at minimum, shall make an accounting of their cash drawers to assess if a turnover is required.

Department Turnovers to Treasurer

When it is determined that a turnover is required, the appropriate form is completed in triplicate, a copy for the Treasurer, a copy for the Town Office and a copy to be kept by the department. This form should identify the source of the receipts and the revenue accounts to be credited. The form along with all cash, coin, checks and other negotiable instruments that have been collected shall be turned over to the Town Treasurer. There shall not be any stapling of cash or checks.

Departments shall identify the amount of each payment, from whom, source of payment and total turnover.

The Town Treasurer, upon receipt of a departmental turnover, shall sign the receipt and return to department.

RECEIPTS AND COLLECTIONS – TREASURER / TAX COLLECTOR

Receipts of brought into the Treasurer / Collector office through various means,

- Through the mail
- Over the counter
- Departmental turnovers
- Electronic transfers directly to bank accounts

Receipts that are subject to interest, demands and other costs shall be applied based on the following priority basis:

- Interest, costs and demand fees
- Utility liens and tax liens
- Real estate or personal property tax balance

Mail Receipts

The clerk opening the mail shall first compare the amount transmitted to the accompanying documentation to verify if the amounts agree. Any differences should be noted at that time. Receipts obtained through the mail must be sorted as to committed receipts and other receipts.

The money shall be separated from the transmittal documents and batched by clerk. The money will be placed into a cash drawer and the transmittal documents placed aside to be processed.

All documents which are committed shall be entered into the system and applied to the proper accounts.

Over the Counter Receipts

The documents will be compared to the receipts and any discrepancies resolved at that time. The money will be placed into the cash drawer and the documents entered where applicable.

Departmental Turnovers

Departments shall turnover receipts to the Treasurer from time to time and not less than weekly. The Treasurer shall count the receipts and initial a copy of the turnover to retained by the department. The other copy of the turnover sheet shall be used by the Treasurer to post such receipts. The turnover sheet shall identify the accounts to be credited, a narrative description of the receipts and the names of the department submitting the receipts.

Departments shall establish procedures to safeguard the collection and remittance of receipts. Cash registers shall be utilized where practicable. If cash registers are not used an alternative receipting system shall be utilized such as:

- Automated receipting device
- Pre-numbered receipts forms
- Pre-numbered tickets with stubs

The Town Administrator shall periodically, but not less than twice a year, perform site visits to the departments to audit the receipts process as required by state statutes. Reports of such audits shall be made in writing and submitted to the Board of Selectmen along with recommendations for improving receipts procedures.

Wire Transfers

Wire transfers are accompanied by a remittance advice that provides information for posting into the system. Wire transfers can be for committed receipts such as Water and Sewer bills paid by the state or they may be for other receipts such as grant payments, bond proceeds or state aid distributions.

Cash Out Procedures

Clerks shall cash out daily to be completed by noon of the subsequent day. Each clerk has a separate cash drawer and batches for their own work. The amount in the cash drawer shall be compared to the batch totals and any differences.

A deposit slip will be prepared in triplicate and a copy attached to the edit report of transactions supporting the deposit. A copy of the deposit slip will be transmitted with the deposit and a copy to the town office for posting.

The edit reports of transactions shall be retained in a file in date order.

Postings

Data entered by the Treasurer /Collector shall be transferred to the town office for posting into the general ledger.

The Treasurer / Collector shall maintain a log of all entries posted in the receivables system and amounts transmitted to the town office for posting. The log shall list the date, amount and nature of the receipt entries.

All deposits shall be made to bank accounts specifically designated for that purpose.

Bank Accounts

All town money shall be deposited and maintained by accounts in the custody of the Treasurer. The bank accounts shall be established in banks that meet the highest rating standards using triple green rating as determined by the Veribanc service or a similar rating company.

Bank balances need not be fully insured or collateralized as long as the depositories meet the rating standards although accounts should be collateralized and insured to the maximum amount feasible.

Town money may be invested to provide the maximum investment rate using the guidelines and criteria established by state statute.

The Treasurer shall maintain separate accounts for designated depository accounts, zero balance accounts for vendor and payroll and such other separate accounts as may be established by state statute or grant agreements. All other town monies shall be pooled to obtain the maximum interest possible.

Certain cash balances are required to retain their own interest in accordance with state statutes or grant agreements. This is a requirement even if the funds are pooled with other money to maximize investment earnings. The Treasurer shall keep track of such earnings and credit the proper accounts as necessary. In the absence of specific requirements, all investment earnings are credited to the general fund.

Warrant Processing

Warrants are submitted by the Town Office to the Collector's Office.

Adopted:

Board of Selectmen

Christine T. Deane

Debbie Dudley