

Village Policy: AD-2

Date Acknowledged: May, 2000

Revised: March, 2002

POLICY TITLE: Procedures for Cash Receipts

POLICY STATEMENT:

In order to safeguard assets of the Village, the following procedures are being established for the daily handling of cash receipts. One goal of safeguarding assets is to maintain a segregation of duties within existing staff as best possible given the staffing levels available. In other words, attempt to establish policies that do not allow one person to be responsible for more than one step within a set of procedures.

Cash Register: The cash register should be accessible to only one or two individuals during the course of a day. The primary person responsible for entering receipts into the cash register will be the receptionist. In the event the receptionist is unavailable, one of the clerk/typist positions will be the backup to entering cash receipts for the day. Every effort should be made to allow for only one person to input cash receipts for an entire day.

The cash register should be closed out daily (by using the end of day procedures). In order to perform the close out, the mail should be processed immediately upon receipt of the mail from the post office. Once the mail is processed and all receipts input into the cash register, a close out should be performed.

Daily Deposit: The first step to be performed after a close out of the cash register is to prepare a daily deposit. The person performing this step ideally should not be involved in the cash register processing. The primary person responsible for performing the daily deposit is the deputy clerk. In the event the deputy clerk is not available for this procedure, the deputy's assistant (a clerk typist) should prepare the daily deposit, preferably a person who did not work on the cash register that day.

The procedure for preparing and recording a daily deposit is as follows:

1. Deputy clerk should wait for notification that all receipts from the mail have been input and the close out of the cash register can be performed. Receptionist should have all receipts input by 10:00am except for days when water bills mailed exceed 100 in number then the time limit is 11:00am.

- Deputy clerk should check with receptionist if the notification is not received by 10:30am.
2. The deputy clerk should immediately proceed to prepare a daily deposit and run the "end of day" reports for the cash register. The deposit should not remain on anyone's desk unattended. Steps 4-10 should be performed immediately.
 3. First count out the petty cash amount and return the drawer to the receptionist.
 4. The receptionist should recount the drawer to be sure the petty cash in the drawer is correct and notify the deputy clerk if an error occurs.
 5. The deputy clerk should count out the cash on hand (after removing petty cash) and run a tape of all the checks received.
 6. The deputy clerk should review the tape from the cash register to determine the amount that should be on the daily deposit.
 7. The amount of cash and checks should be placed onto the deposit slip using an ink pen. The deposit slip, cash and checks with the tape should be placed into the deposit bag. A copy of the tape of checks should be maintained.
 8. The deposit amount should be equal to the daily deposit total from the cash register tape. If the deposit does not agree to the tape, contact the finance director or deputy treasurer immediately to determine how to proceed with reconciliation.
 9. The deposit bag should be given directly to the recreation supervisor for depositing. If the recreation supervisor is not at his/her desk, the deposit bag should be placed into the safe and a note should be placed onto the recreation supervisor's desk stating the deposit is completed. The recreation supervisor should take the deposit bag directly to the bank before noon each day.
 10. The deposit receipt should be submitted to the deputy treasurer.
 11. The recreation supervisor should notify the deputy clerk before vacation days or other events cause the recreation supervisor to be absent for depositing the daily deposit.
 12. The cash register tape and all deposit receipts (hand written and cash register receipts) should be given directly to the deputy treasurer. A copy of all court receipts should be submitted to the court clerk for inputting into the court's database.
 13. The deputy treasurer will verify utility receipts into the accounting system and compare the totals to the cash register tape.
 14. The deputy treasurer will proceed to prepare a daily cash receipt utilizing the data from the cash register tapes.
 15. The deputy treasurer will report any discrepancies to the finance director and the deputy clerk. An investigation will proceed to determine why discrepancies exist and notations should be made to explain any differences found.
 16. The finance director will review the inputting of the recap sheet before posting.

If at any time in this process an individual believes improprieties exist, that person should contact their immediate supervisor or, if they feel their supervisor is performing the improprieties, should contact the person immediately above their supervisor and disclose their concerns.

Discrepancies and errors in the cash receipts process are not an accepted practice. Disciplinary actions will be taken in events of errors and discrepancies occur by any one individual 2 times or more per month. Employees falsifying documents, misappropriating funds, stealing or otherwise willfully violating cash receipt procedures will be subject to disciplinary actions prescribed in the Village of Howard personnel policy.

Acknowledged this ____ day of _____, 2008.

Village Administrator

Executive Director