

CITY OF CORRY POLICY FORM

Policy Area: Administration	Subject: Corry Cash Handling Policy
Title of Policy: Corry Cash Handling Policy	Number: Resolution No. 20-27
Effective Date: June 20, 2016 – Res 16-07	Page Number: 1
Approved Date: June 20, 2016 Revision Date: December 7, 2020	Approved by: William Roche

Cash Handling Procedures

Purpose

Strong internal controls for cash collection are necessary to prevent mishandling of funds and are designed to safeguard and protect employees from inappropriate charges of mishandling funds by defining their responsibilities in the cash handling process.

This Policy shall apply to all City of Corry departments. Departmental supervisors shall ensure these Policies and Procedures are followed.

"Cash" is defined as coin, currency, checks, and credit card transactions.

Required procedures for cash collection points include the following:

- Accounting for cash as is it received;
- Adequate separation of duties, which includes cash collecting, depositing, and reconciling;
- Proper pre-numbered receipts given for any cash received;
- Approval of any voided cash receipts by the City Business Manager or the person appointed in his or her stead.
- Reconciliation of validated deposit forms to support documentation and to the account statement; and
- Proper safeguarding of cash.

Who Should Know About This Policy?

Any official or administrator with responsibilities for managing cash receipts and those employees who are entrusted with the receipt, deposit, and reconciliation of cash.

Procedure

- A description of the reconciliation process, including frequency of reconciliation;
- A description of the process for safeguarding cash until it is deposited;
- A schedule of how often cash deposits will be made.

Instructions

Cash received in person

- A receipt must be issued for each cash payment received. At a minimum, manual pre-numbered receipts must include the date, mode of payment (cash), and the identification of the department and the person issuing the receipt.
- Checks must be made payable to "The City of Corry", "City Treasurer" or "Corry Water", as is appropriate for the services for which payment is being made, and must be endorsed promptly with a restrictive endorsement stamp payable to "The City of Corry."
- During business hours, all forms of cash shall be stored in locking drawers, cash registers, cash boxes or the safe.
- Only the cashier collecting these monies shall have control over this cash, and must make sure that the cash is securely locked when they leave their desk *no matter how briefly* or to take lunch or break. This must be verified by a second person. The City Business Manager shall determine maximum the number of people in a cash drawer during the day. He or she shall be guided by the principle to minimize risk of loss.
- The cashier shall have complete control and responsibility for the cash he or she collects during business hours.
- To reduce the risk of error, all cash shall be separated according to the denomination, and shall face the same direction.
- Checks shall be kept together but kept separately from cash and credit card receipts. Any other documentation should also be kept together with above, but separately.
- Credit card machines and the receipts should not be left unattended. They shall be kept in an inaccessible area.
- The funds received must be reconciled to the cash register or to the pre-numbered receipts at the end each day. Cash must be reconciled separately from checks/credit cards by comparing actual cash received to the cash total from the manual receipts.
- When possible, areas that store cash should always be locked.
- All types of cash and other receipts shall be deposited daily. Cash received late on Friday afternoon or on a holiday shall be deposited on the next banking business morning after processing and reconciliations, depending on the amount of daily receipts. At 4:30 PM daily, after all doors are locked and non-city employees have left the premises, all cash shall be taken out of the drawers and only contain daily

start-up money. The City Business Manager shall determine whether a night deposit shall be made that evening.

- Refunds or expenditures must be paid through the appropriate budget with a City of Corry generated check.
- The Cashier's office will issue a receipt of deposit to be used for reconciliation of the supporting documentation to the deposit and to the monthly statements of account.
- All voided transactions shall be approved and initialed by the City Business Manager or the designated person in his or her stead. There are NO exceptions!
- Cash, checks, and payment cards must be kept in a safe or a secure place locked/combination vault or safe until it is deposited. A secure area for processing and safeguarding funds received is to be provided and restricted to authorized personnel. Access to areas where cash is stored shall be limited only to those employees who need access, and have been previously designated to have access.

Accepting Payments:

- All types of payments should be input into an electronic device, such as computer terminal, or tracked manually with pre-numbered receipts, to ensure that all payments are documented.
- Payments for goods or services may be accepted in the form of cash and coin, checks, and credit card, when appropriate arrangements and measures have been made
- Payments may be received in-person or by mail.
- In-Person Cash and Coin, and Check Payments Accepted Manually: Payments accepted by departments without an electronic device must be tracked by pre-numbered receipts.
- When cash and coin payments are accepted as payment, they shall *always* be recounted in front of the customer to confirm the amount received from the customer.
- If change is given back to the customer, the change should be counted back to customer, to confirm that the correct amount is given back.
- A receipt must always be given to the customer for cash payments.
- Checks shall be endorsed immediately.
- A copy of completed receipts must be retained by the department.
- Cash payments without a receipt are not allowed! Each shall be input into a computer terminal at the same time they are received.
- A log shall be kept of all daily deposits received.
- All deposits shall be counted daily and input into a computer terminal, daily when they are received.

Balancing of Cash Receipts

- All funds collected must be balanced daily both by mode of payment and by comparing the total of the cash, checks, and credit cards to the cash register totals, and to the pre-numbered receipts totals and to the totals of the money received by mail.
- Over/short amounts must be separately recorded, and investigated and resolved to the extent possible. All shortages of \$25.00 must be reported in writing to the City Business Manager and the Corry Police Chief.

Preparation of Deposits

- Checks must be made payable to "The City of Corry," "City Treasurer," or "Corry Water," as is be appropriate. A calculator tape of the checks shall be included with the checks bundled together.
- Cash must be recorded on the deposit slip in the appropriate spaces.
- Attach a copy of the "Transmittal Batch," showing transaction totals for credit card receipts and record the total on the deposit slip.
- The appropriate account number(s) and sub-code(s) must be included on the deposit slip.
- Cash must also be reconciled by a second employee.
- Dual controls should be established by departments to ensure that two employees count the cash, together, and deliver deposits to the City Business Manager.

Reconciliation of Cash Collected

- Compare the receipt to the supporting documentation (copy of deposit slip) and resolve any discrepancies.
- Compare the receipts to the monthly account statements.

Pre-Numbered Receipts

Pre-numbered receipts and a log will be maintained that will include the number(s) of the receipts, and the date and name of the person receiving the receipts. The issuing unit shall retain one copy of all voided receipts

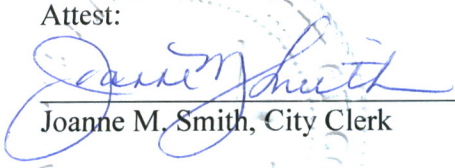
Record Retention

All cash receipts and related documents must be maintained in accordance with record retention schedules. Cash register tapes, deposit slips, credit card receipts, copies of manual cash receipts, etc. shall be kept for seven years.

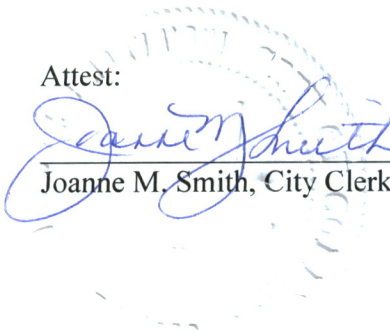
AT NO TIME WILL MONEY EVER BE LEFT UNATTENDED!

Adopted this 7th day of December 2020.

Attest:



Joanne M. Smith, City Clerk





David E. Mitchell, MAYOR