**Town of Strafford**

**Cash Receipts, Petty Cash, Debit Card and Return Check Policy**

**Purpose**. The purpose of this Cash Receipts Policy is to establish proper management practices over cash, checks, and other receipts in order to instill public confidence in Town operations and to provide accurate, reliable, and timely information upon which financial decisions can be made.

**Authorized Personnel**. For internal control purposes, only the following officers, employees, and volunteers are authorized to receive funds on behalf of the town of Strafford: Treasuer, Assistant Treasurer, Town Clerk, Assistant Town Clerk, Collector of Delinquent Taxes, Constable, Trustee of Public Funds, Dog Officer, and the Town House Advisory Group, Chair.

**Proper Payee**. All checks and money orders regardless of function, must be made payable to the Town of Strafford. No instruments may be made payable to a Town Officer, employee, volunteer, department, committee, board, or group.

**Receipts**. Persons authorized to receive funds on behalf of the Town must issue a fully completed pre-numbered collection receipt for any cash received. The original completed receipt must be issued to the person from whom the funds are received. The second copy must be delivered to the Treasurer with the funds. Individuals paying by mail receive a mailed receipt.

**Safeguarding Funds**. Safeguarding funds prior to deposit with the Treasurer is the responsibility of authorized personnel receiving the funds. All coins, currency, checks, and money orders must be retained in the Town vault until deposited with the Treasurer in accordance with the section below.

**Preparing and Depositing Funds**. Funds collected on a weekly basis by authorized persons totaling $2000 or more must be deposited with the Treasurer no later than the following business day. Funds collected totaling less than $2000 must be deposited with the Treasurer no later than the first business day of the following week. Funds collected for taxes will be deposited the same day payments are received and deposited in batches of 20-25 checks.

Each person depositing funds with the Treasurer must submit a spreadsheet or adding machine tape of the checks in the same sequential order and totaled with each deposit. The Treasurer will count and verify the amount deposited in the presence of the person depositing the funds. All deposits made to the Treasurer will be issued a receipt of other acknowledgement. The Treasurer or assistant Treasurer will take the deposit to the bank as outlined above and retain copies of all deposit statements issued by the bank. Any discrepancies shall be reported to the Treasurer.

**Petty Cash/Debit Card Use**. No officer, employee, volunteer, department, committee, board or group may establish a petty cash system without consent from the Selectboard and the Treasurer. A lockable cash box will be used to store petty cash and Town debit card and must be locked at all times. The key will be kept in a secure location. Only the petty cash custodian and the Treasurer will have access to the locked petty cash box and key.

A pre-numbered, two-part receipt will be issued by the custodian or the Treasurer for each payment made out of petty cash. This receipt is to be signed by the custodian or Treasurer and the officer, employee, or volunteer receiving the petty cash. Authorized debit card purchases will be given to the Treasurer with a valid detailed receipt of the purchase.

Postage requests will be considered petty cash. At all times the total of receipts added to the cash remaining in the petty cash box must equal the predetermined petty cash amount. Under no circumstance will personal funds be used to compensate shortages. All shortages must be brought to the attention of the Treasurer immediately upon discovery.

**Return Check.** There is a $20.00 fee for each returned check.

Post-dated checks will not be accepted. If a post-dated check is received by mail, it will be deposited on the day it is received.

Checks will not be placed on hold. Checks will be deposited on the day they are received.

A check received that is incorrectly filled out - where the dollar amount does not match the written amount – is the responsibility of the check holder. The line where the amount is written out governs. Therefore, the bank considers the amount written out to be the actual check amount even if it does not match the amount written in the dollars box. If the written amount is insufficient to cover tax payment, then late fees and penalties incurred due to an incorrectly written check are the responsibility of the check holder.

**Fraud Policy**. See fraud policy.

The foregoing policy is hereby adopted by the Selectboard and the Treasurer of the Town of Strafford, Vermont, this day of and is effective as of this date until amended or repealed.

Chairperson

Treasurer

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