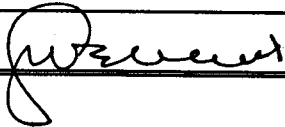




## POLICY AND PROCEDURE

<b>Subject:</b> Official Receipts	<b>Index:</b> Finance <b>Number:</b> 201-7
<b>Effective Date:</b> September 1, 2005	<b>Prepared By:</b> Finance & Administrative Services
<b>Supersedes:</b> July 1, 2003	<b>Approved By:</b> 

### 1.0 PURPOSE:

To provide guidelines and procedures for the processing of official receipts.

### 2.0 ORGANIZATIONS AFFECTED:

All departments/divisions

### 3.0 REFERENCES:

None applicable.

### 4.0 POLICY:

- 4.1 Official receipts are issued through a computerized cash receipting system for all payments received by the City.
- 4.2 Computerized cash receipting systems are located in Utility Billing and the Community Development Department.
- 4.3 Non-computerized receipts are issued by other departments using City cash receipt forms. The total of these receipts are entered on an official, computerized receipt by the Utility Billing cashier.
- 4.4 The original of the computerized receipt goes to the customer. The yellow and pink copies are turned into the Finance Division for the daily deposit and are reconciled by the Accounts Receivable/Accounting Specialist.

### 5.0 DEFINITIONS:

- 5.1 **RECEIPTS** – Cash received.

## **6.0 PROCEDURE:**

**6.1 Procedures for Department Receipting** – In order to provide adequate internal control over cash, the following minimum practices must be established:

6.1.1 Separation of responsibilities of receipting and depositing.

6.1.2 Immediate endorsement of all checks.

6.1.3 Numerical sequencing of receipts must be intact.

6.1.4 Daily deposits of prior day's receipts.

**6.2 Receipting** – To ensure that the above controls are met, each department should observe the following procedures:

6.2.1 Each department should have one person designated as cashier and one person designated as backup. Secondary backup cashiers should be designated to accommodate sick or vacation leave periods.

6.2.2 The cashier (or backup, if not available) will input all receipts so that one person is in control.

6.2.3 If the cash drawer is not directly at the cashier's desk, the cash drawer should be locked after each use.

6.2.4 Each department will have a supply of pre-printed, pre-numbered cash receipt forms. Rediform-type receipts are not acceptable. The Accounts Receivable Clerk will be custodian of all blank cash receipt forms and will assign pre-numbered receipts to individual departments.

6.2.5 Cash Receipt Forms must be used in consecutive numerical order. The Accounts Receivable Clerk will inspect each box of receipts when opened to ensure they are in consecutive order with no missing numbers. Cash receipt forms will be kept in Accounting and issued to other departments. The Accounts Receivable Clerk will inspect numerical sequencing prior to issuing to departments.

6.2.6 Checks must be immediately endorsed upon receipt rather than holding them and endorsing when preparing the deposit.

6.2.7 Receipts will be identified as cash or check.

6.2.8 If a receipt is voided, all copies must be sent to the Finance Division with "void" written on all cash receipt forms.

## **6.3 Depositing**

- 6.3.1 Each department should have one person responsible for deposits, with a backup assigned. Due to staff limitations it may be necessary for a cashier to act as a deposit clerk to cover the absent employee due to sick leave or vacation.
- 6.3.2 The employee responsible for deposits should be entirely separate from the employee responsible for receipting, in physical location as well as job responsibilities.
- 6.3.3 The deposits clerk will confirm with each daily deposit that receipts are in numerical order and that all are accounted for.
- 6.3.4 The deposits clerk will confirm that the total receipts and deposit amount are in balance, attaching calculator tapes as an audit trail. Discrepancies should be reported to the Utility Billing Cashier.
- 6.3.5 Deposits must be made daily. Receipts and monies must be hand carried to the Utility Billing Cashier daily.
- 6.3.6 The Utility Billing Cashier will confirm each departments deposit to assure that all receipts are accounted for daily and that receipts and deposits are in balance. Discrepancies will be returned to the originating department for correction and returned with the next day's receipts.
- 6.3.7 The total deposit is picked up from the Utility Billing Cashier daily by armored carrier and transported to the bank.