

Town of Beekman

Cash Receipts Policy



Amended August 2017

CASH RECEIPTS POLICY

Introduction

Internal controls are essential for “good” management and specific to cash receipts can be defined as activities (safeguards) that are in place to provide reasonable assurance that those cash receipts will not be misplaced, lost or stolen.

Overview

The Town of Beekman routinely engages in the receipt of cash during the normal course of business. Those receipts are the property of the taxpayers and must be safeguarded. Cash receipts can be misplaced, lost or stolen if proper internal controls are not followed as a regular routine. This policy includes procedures specific to the handling of cash receipts related to Special Districts, the Recreation Department and all other departments within the Town.

Accounting Records

Each department that handles cash receipts, in any amount, **MUST** maintain up to date accounting records for those cash receipts in a format that has been approved by the Town Comptroller, and is consistent with the accounting practices of the Town of Beekman.

Definitions

Cash: For the purposes of this section, cash is defined as currency, coins, checks and money orders or any form of payment received in the normal course of business in the Town of Beekman.

Cash Transactions (Except Recreation Dept.)

- Petty Cash
 - Department Head is responsible for petty cash
 - Petty cash must be kept locked and out of view in public areas
 - Up to date accounting records and a receipt book must be kept
 - Reconciliation of the petty cash must take place monthly even if no transactions took place.
 - Two town employees must verify all monies counted during reconciliation of the petty cash account.
 - Both must sign accounting reports that memorialize that verification
 - Routine purchases cannot be made using petty cash.
 - Any purchase that must be made through the use of petty cash due to exigent circumstances must be approved by a Department Head. (subject to the limits prescribed in the procurement policy)
 - Receipts for all expenditures must be obtained and maintained.
 - The Department Head must submit a report monthly to the Town Comptroller which outlines all expenditures and verifies the amount of cash on hand. This report must be submitted even if no transactions took place. The cash on hand must be verified and reported monthly.
 - Petty cash can be replenished periodically only when accurate accounting records including receipts showing the need for replenishment are presented to the Town Comptroller as part of that process.

Transmittal of Cash Received (Except Recreation Dept.)

The Town Comptroller is the sole receiver of all cash obtained in any department during the normal course of business. If a department does not maintain an authorized bank deposit account, all cash received must be transmitted to the Town Comptroller on a daily basis for deposit.

When cash is received within a given town department:

- A receipt must be issued to the person who provided the cash.
- A copy of that receipt **MUST** be maintained with the department's records.
- Each department must maintain accounting records to reflect all cash transactions.
- Cash transmitted to the Town Comptroller must have an itemized list of sources of cash. The cash must be accompanied by a transmittal memo.
- Cash being transmitted to the Town Comptroller must be handed to the Comptroller or the Comptroller's designee. It will be recounted in the presence of the Comptroller or the Comptroller's designee.
- The transmittal document will serve as a receipt and be signed by the Town Comptroller or the Comptroller's designee. A copy will be made by the Town Comptroller's office and must be maintained with the department's accounting records.
- No cash receipts may be left in any area of the Town Comptroller's office unless those cash receipts have been transmitted to an employee of that office and a receipt has been received for the transmittal.

Procedure for Collection of Cash Received For Special Districts

The Town is currently managing the Dover Ridge Water & Sewer Districts. This entails the quarterly billing and collection of payments from the property owners within these districts. All payments are obtained within the Finance Department of the Town.

When cash is received for Dover Ridge Water & Sewer Districts obligations:

- All payments will be received by the Finance Department.
- A receipt will be issued to all individuals making hand delivered payments in Town Hall.
- A copy of that receipt **MUST** be maintained with the department's records and also must accompany the cash when it is turned in to the Town Comptroller.
- All payments received via U. S. Postal Service or in any other manner will have a corresponding receipt forwarded, upon request.
- The Finance Department will record the payments into spreadsheet being maintained for accounting and billing purposes.
- Received cash is turned over to the Town Comptroller
- The Town Comptroller will deposit the cash within four (4) business days of receipt.
- The Town Comptroller will make any/all corresponding journal entries related to the Dover Ridge Water & Sewer District.
- Bank Reconciliations for the Dover Ridge bank accounts will be prepared by the Comptroller.

Recreation Department Procedures for the Handling of Cash

The Rec Department is authorized to maintain \$550 of Petty Cash

- It will be in a box in the safe in the Rec office
- Staff and consultants will be reimbursed for budgeted/authorized expenses paid out of pocket if a receipt is produced
 - The receipt will be numbered and placed in the Petty Cash box when the cash is given to the purchaser
- If an authorized staff person or consultant (purchaser) requests cash in advance for an approved purchase, a “Petty Cash Request and Receipt” form will be completed for the amount borrowed to make the purchase and the form will be stored in the Petty Cash box
 - Upon the completion of the purchase the purchaser will provide the receipts for the items and change adding up to the amount borrowed
 - The receipts and change will be put in the Petty Cash box and the Petty Cash Request & Receipt form will be signed off on indicating that the receipts and change add up to the amount borrowed, and then the form will be destroyed, since the receipts accurately reflect the purchase
 - All receipts will be numbered
- Monthly or bi-monthly (2x/month), a voucher for Petty Cash will be submitted to the Comptroller to replenish Petty Cash
 - It will have all numbered receipts explained and expenses for each allocated to the appropriate budget lines
 - The sum of all receipts, cash in the box, and outstanding Petty Cash Request & Receipt forms will total \$550
- Petty Cash will be Reconciled when the voucher is completed using the “Petty Cash Reconciliation Form” and submitted when a voucher is submitted to reimburse Petty Cash

Fees Collected in the Office

- There will be a \$100 cash “drawer”, actually a pencil case, kept for the purposes of making change in the office
 - It will be locked up in the safe at night, and in the receipt file cabinet during the day
 - On weekends in the summer it will be in the locked file cabinet – see below
- When a patron comes in to register for a program, or reserve a facility the staff member will
 - Look in MyRec for their account, and if there is no account, one will be created
 - If the patron wants Beekman residency status, they must provide photo ID and a tax or utility bill
 - The staff member will then enter their registration or reservation into MyRec and generate an Invoice
 - The Invoice will reflect how payment is made: cash, check, credit card, or account credit
 - The Invoice will be printed and the patron will sign the bottom.

Recreation Department Procedures for the Handling of Cash (cont'd)

- If payment is made by cash or check, the payment is attached to the Invoice and it is placed in the receipt file cabinet until the end of the day, when it is put in the safe
 - If payment is made by credit card or account credit, the receipt is placed in a separate file in the receipt file cabinet and kept until the end of the year when it joins all other registrations for the year and is saved as per the MU-1
 - Receipts are emailed by the MyRec system to the patron, and a copy can be made for the patron if they request it
- If the patron is booking a facility or field an additional Reservation Form and applicable conditions is completed and signed by the patron and filed
 - Facility Reservation Forms are filed in a tickler to be resurrected the week of the reservation
 - Fields are filed in the field drawer with the Leagues' other documents
- Each business day or two, the receipts of the day are balanced with MyRec reports and a Transmittal is created and brought to the Comptroller
 - The Transmittal lists the checks and cash and indicates to which accounts it is applied
 - The Comptroller counts the checks and cash, matches it to the MyRec reports and signs off
 - The Comptroller brings the cash and checks to the bank and provides the Rec Department with a copy of the monthly Bank Statement

Cash Security Deposits Collected in the Office

- Facility Rentals for parties have cash only security deposits due the week of the rental
 - The amount collected is recorded on the Rental Agreement and placed in the safe at the end of the day
 - The renter is given a copy and a key to the facility rented
 - The Maintenance staff communicates any problems with the rental to the Rec Office on Monday mornings
 - If there are no problems, when the renter returns the key, the Cash Security is returned and the renter signs off on the bottom of the Rental Agreement that they have indeed received their cash back
 - The form is filed and saved as per the MU-1
 - In cases where there is a problem and not all the cash is returned, the reason is listed, and the cash is receipted in MyRec as an addition to that particular rental and that cash is then processed as described in "Fees Collected in the Office" above
- Field rentals for teams and Leagues
 - A \$250 cash security is kept for each League in the safe and is returned at the end of the season

Recreation Department Procedures for the Handling of Cash (cont'd)

Fees collected by Gate Staff in the summer

- There will be three \$50 banks (pencil cases) for up to 3 staff members collecting fees at any given time at the Gazebo
 - Each bank will be counted out and a “Daily Financial Report” form with an “Office” staff initialing it (Summer Manager on weekends) and given to the Gate staff member who is to open a bank
 - Upon picking it up in the office and bringing it to Gate, the Summer Manager will also initial it
 - The Gate Staff will initial that they confirm they received the \$50
- The Summer Manager will log the Gate Staff (& themselves) onto separate computers in their respective MyRec accounts
- Staff members will only make transactions on their own log ons
- When a patron comes to the Gazebo to register for a program, Gate staff will
 - Look in MyRec for their account, and if there is no account, one will be created
 - If the patron wants Beekman residency status, they must provide photo ID and a tax or utility bill
 - The staff member will then enter their registration into MyRec and generate an Invoice but not print it
 - The Invoice will reflect how payment is made: cash, check, credit card, or account credit
 - If payment is made by cash or check, the payment is placed in the pencil case assigned to that staff member
 - Receipts are emailed by the MyRec system to the patron, and a copy can be made for the patron if they request it
- When a patron comes to the Gazebo to play a round of Mini-golf Gate staff will
 - Look in MyRec for their account and if there is one, proceed as above
 - If there is no account, Gate staff will go to the Beekman Recreation and Parks account and select the correct aged person for Mini-golf and indicate “how many” of that age are playing
 - They will then enter them each:
 - as a “guest” with their names so that there is an accounting of each person playing
 - in addition, their names will be placed in the notes so that is shows on the receipt
- At the end of the Gate staff’s shift
 - The Gate Staff person will total up their checks and cash and reflect the same on the “Daily Financial Report”
 - The Summer Manager will print a MyRec report listing all the transactions made by that staff member that day and match the cash and checks on the report to the “Daily Financial Report” and sign off on both reports
 - The Summer Manager will put all reports together with the cash and checks and put it in the File Cabinet for review by Office staff the next business day

Procedure for Receipt of Teen leadership Council Donations

In that the Beekman Teen Leadership Council is developing leadership skills in our youth it is desirous to create Leadership Positions and responsibilities within the group. The group would like to create the position of Treasurer with the responsibility of tracking donations and allocating them to members to attend the annual Leadership Weekend.

Procedure:

- There will be donations bins placed at specific activities at Town events where the TLC members are volunteering
- The TLC members at those activities will oversee the bin and total up the funds at the end of the event
- The TLC Event Treasurer will collect and record the donations from each bin on a ledger sheet
- The TLC Event Treasurer will present the donations and the ledger sheet to the Rec Director or her designee to be signed off on by both and placed in the safe
- Each events' donations will be added to the ledger in this way until it is time to register for the Leadership Weekend
- Once it is determined how many teens are registering for the Leadership Weekend, the total of the donations will be divided evenly among them to assist them in covering their half of the fee; the Town pays for the other half

Fees collected by Staff within Programs

(to be used in anticipation of the need to collect money for a specific program or activity outside the office)

- The following will be given to the Program Staff member
 - A \$50 bank (pencil cases)
 - A Financial Report for the Out of Office Collection of Fees (FROOC)
 - Pre-numbered Registration Forms
- On the FROOC, a Rec Office staff member will have initialed the amount in the "Starting Bank" and the "Number of (Registration) Forms" prior to giving it to the Program Staff member
- Upon picking up the materials, the Program Staff member will verify the "Starting Bank" and the # Registration Forms and initial the FROOC
- The Program Staff member will give out blank pre-numbered Registration forms to the patrons
- Upon collection of fees, the Program Staff Member will:
 - Staple checks to the relevant numbered Registration Form, put cash in the "bank"
 - On the FROOC, next to the Form Number they will:
 - Record the name of the person who wrote the check
 - If it is different from the name of the person registering, they will record that name
 - Record the check # (or write in "cash")

Fees collected by Staff within Programs (cont'd)

- Upon completion, the Program Staff member will total up and report on the FROOC
 - The checks and cash
 - The number of Registration Forms complete
 - The number of Registration Form returned empty
- The Program Staff member will return the completed FROOC, the registration Forms with the stapled cash and checks to the Rec Office
- Staff in the Rec Office will
 - Verify and initial:
 - The Cash and Checks received
 - The number of Registration Forms completed
 - The number of Registration Forms returned empty
 - Process each Registration in MyRec and will record the Invoice number of the transaction on the FROOC

Depositing Cash Receipts

All cash receipts MUST be deposited within four (4) business days.

- All cash receipts must be secured in an approved locked area while awaiting deposit.
- Departments that maintain approved bank accounts must deposit cash on hand within four (4) business days of receipt.

Failure to Adhere to this Policy and Proper Procedures

Employees who fail to adhere to this policy or procedures may:

- Be responsible for any missing or unaccounted funds
- Be subject to disciplinary proceedings up to and including dismissal and/or criminal proceedings.

EMPLOYEE ACKNOWLEDGMENT FORM

I have received a copy of the Town’s Cash Receipts Policy amended by the Town Board on August 2, 2017. I agree to review the policy and abide by it at all times. I understand that questions about the policy should be directed to the Supervisor.

Name of Employee or Consultant (Please Print)

Signature

Date

Parent or Guardian Signature if under 18 years of age

Date