

**City of Salem, Massachusetts,
Treasurer's Department Fiscal Policy**

No. 2012-002

SUBJECT: Cash, checks and credit card receipt handling.

Effective Date: May 15, 2012

Revised: January 21, 2014

POLICY

This policy has been developed for all departments by the Treasurer's Office as recommended in the Fraud Risk Audit. The following procedures are for handling cash, checks and credit cards collected by all City departments.

PROCEDURES FOR DEPARTMENTS

1. All cash, checks and credit card payments must be kept in a locked and secure area. Individuals responsible for collecting the revenue are responsible for the proper handling of cash, checks and credit cards.
2. A receipt must be issued by each department for all cash received if no cash register is available. Receipt books are available at the Treasurer's Office and will be distributed to each department replacing any old receipt books. All receipts books should be pre-numbered and should be in triplicate.
3. Pre-numbered receipts books should include a purpose and the amount paid. Checks are the preferred method of payment. The receipt must be signed by the individual collecting the money.
4. Cash receipts should be reconciled DAILY by each department. If using a cash register, the register tally should be reconciled to the cash, checks and CC receipts.
5. The white copy of the receipt should be given to the payee. The yellow receipt should be submitted with the form 9-10 and the pink copy should be retained in the receipt book by the department.
6. Cash and Checks should be subtotaled and recorded on the 9/10 separately along with a grand total. Credit Cards are to be reported on a separate 9/10 and the batch total should equal amount reported. Identify and note any discrepancies.

7. Receipts of \$100.00 or more should be turned over to the Treasurer's Office on a DAILY basis. Receipts less than \$100.00 should be turned over to the Treasurer's office within 2 business days.
8. All departments that operate on weekends or holidays must do DAILY bank deposits using night deposit bags. Night deposit bags can be obtained from the City Treasurer. All three copies of the 9/10 form should go into the night deposit bag.
9. Do not place a social security number on a check. Requiring or placing a social security number on a check may be in violation of Massachusetts' consumer privacy laws. Checks must have a name, phone number and be signed. Verify the legal written amount to the numeric amount.
10. All checks must be endorsed with the official stamp. The 9/10 form needs to include the following: department name, number, date, a concise description and account number (org and object), a cash total listed as a lump sum amount, check total listed as a lump sum amount and a grand total of the deposit.
11. If you are depositing a check or checks that are unusual or that may need to be verified in the future, list them separately with as much description as possible or record them on a separate 9/10.
12. If there are multiple amounts you want recorded separately, write the org and object for each amount indicated (even if org/obj are the same). Otherwise the TOTAL amount will be recorded.
13. For multiple checks and cash attach an initialed adding machine tape showing subtotal for cash and checks.
14. Credit Card receipts reported on the 9/10 form must include all individual Merchant copies of the signed register receipt and the batch report for the day.

Returned Check Policy (ISF's)

When notification is received for a deposited check returned because of insufficient funds the amount is reported to the Finance Department. Returned checks are debited/reducing the revenue line previously credited. The Department is required to contact the issuer and get the money back and an ADDITIONAL \$25.00 TO COVER THE BOUNCED CHECK FEE THAT THE BANK CHARGES THE CITY . When the money is received the original revenue line is credited for the original amount and the \$25.00 goes into miscellaneous revenue line 11-4840

PROCEDURES FOR TREASURER'S OFFICE

1. The Treasurer's office will review all 9/10 forms for accuracy and insure the deposit reconciles to the form.
2. The Treasurer's office will make every effort to book to the appropriate account established by the Finance Department. Please make sure 9/10 forms are legible and include proper MUNIS org/obj revenue codes.
3. The Treasurer's office will not accept any 9/10 that does not include specific descriptions and account numbers. The staff person delivering the 9/10 should be prepared to provide more detail if necessary.
4. The Treasurer's office will not accept any 9/10 form with the description of "Miscellaneous Income". Specific information is needed as to the source or reason for the revenue. A full description is required for the funds being deposited.
5. Treasurer's Office should be consistent when entering descriptions into MUNIS.



Treasurer



Date



Finance Director



Date