

CASH RECEIPTS, PETTY CASH, AND RETURNED CHECK POLICY

Town of Peacham

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 Peacham: treasurer, assistant treasurer, town clerk, assistant town clerk, collector of delinquent taxes, selectboard members, cemetery commissioners, constable, service officer, transfer station attendant, principal of Peacham School, secretary of Peacham School, director of Peacham Afterschool Learning, Caledonia Central Supervisory Union.

PROPER PAYEE. All checks, money orders, and credit card payments, regardless of function, must be made payable to the Town of Peacham. 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 collection receipt for any cash received. Cash is only to be received by the treasurer in the Town Office during office hours. The original completed receipt must be issued to the person from whom the funds are received. The second copy must be kept by the treasurer to account for the funds. The third copy must be retained by the person authorized to receive funds for audit purposes, and it shall be countersigned by the treasurer when funds are deposited with the treasurer.

Receipts for cash deposits for vault time, vault copies, and other copies less than \$5 require a receipt to be offered but otherwise only tracked through the weekly deposit.

SAFEGUARDING FUNDS. Safeguarding funds prior to deposit with the treasurer is the responsibility of authorized personnel receiving the funds. All coins, currency, checks, credit card information, and money orders must be retained in a secure place until deposited with the treasurer in accordance with the section below.

PREPARING AND DEPOSITING FUNDS. Funds collected by authorized persons must be deposited with the treasurer no later than the first business day of the following week.

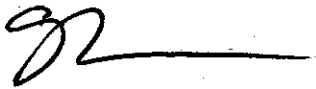
Each person depositing funds with the treasurer must submit a spreadsheet, adding machine tape, or other approved count sheet of the checks in the same sequential order and totaled with each deposit. The treasurer will count and verify the amount deposited in the presence of the person depositing the funds. All deposits made to the treasurer will be issued a receipt or other acknowledgement. The treasurer will take the deposits to the bank weekly and retain copies of all

deposit statements issued by the bank. Each department will receive from the treasurer a list of deposits that have been verified through the bank statement upon request. Any discrepancies shall be reported to the treasurer.

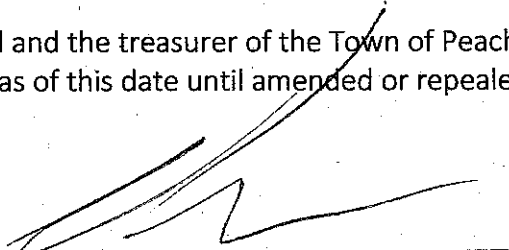
PETTY CASH. The Town of Peacham will not offer any department a petty cash system.

RETURNED CHECKS. A returned check will be recorded in the accounting system against the revenue in which it was originally posted if the check is not replaced. First-time returned checks will be re-deposited. Upon second receipt of a returned check, the treasurer will notify the check writer and inform him or her that his or her check did not clear and advise that there will be a fee consistent with any fees accrued by the Town and will be assessed as a return check fee due. Thereafter, full payment, including the return check fee, must be in the form of cash, money order, or bank certified check.

The foregoing Policy is hereby adopted by the selectboard and the treasurer of the Town of Peacham, Vermont, this 16th day of October and is effective as of this date until amended or repealed.



Treasurer



Chairperson

Selectboard Members

