Town of Fair Haven THE SLATE CENTER OF THE NATION • CHARTERED OCTOBER 27, 1779

FAX: 265-3176 • MUNICIPAL BUILDING • NORTH PARK PLACE • FAIR HAVEN, VERMONT 05743 • TEL. (802) 265-3010

CASH RECEIPTS, PETTY CASH & RETURNED CHECK POLICY

PURPOSE. This policy establishes proper management practices over cash, checks, and other receipts 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 Fair Haven: Treasurer, Assistant Treasurer, Town Clerk, Assistant Town Clerk, Collector of Delinquent Taxes, Selectboard Members, Constable, Fire Warden, Town Manager, Service Officer, Trustees of Public Funds, Water/Sewer Commissioners, Zoning Administrator, Town Accountant, and Accounts Receivable/Office Assistant, Transfer Station Attendants, Police Department personnel (Administrative Assistant and sworn officers), Water Department Chief Operator, DPW Superintendent, Concerts in the Park Committee/Volunteers, and Recreation Director.

PROPER PAYEE. All checks, money orders, and credit card payments, regardless of function, must be made payable to the *Town of Fair Haven*. 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 in using a 2-part, pre-numbered receipt or some other receipt or reporting system acceptable to the Treasurer. The original completed receipt must be issued to the person from whom the funds are received. The second copy must be delivered with the funds to the Accounts Receivable Clerk to enter in NEMRC Cash Receipts.

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 totaling $5000 or more must be deposited with the Treasurer each day. Funds collected totaling less than $5000 must be deposited with the Treasurer no later than the following business day.

Each person depositing funds with the Treasurer must submit a signed NEMRC Cash Receipts deposit report along with an adding machine tape of the checks in the same sequential order and totaled with each deposit. A copy of the detailed deposit report will be given to the Town Accountant for audit purposes. The Treasurer will count and verify the amount deposited in the presence of the person depositing the funds, and will countersign the deposit report. The Treasurer will make daily bank deposits and retain copies of all deposit receipts issued by the bank with a copy of the deposit receipt given to the Town Accountant for auditing purposes.

Each department will receive a budget/status report of all revenues and expenses from the Town Accountant once a month.

PETTY CASH. No officer, employee, volunteer, department, committee, board, or group is authorized to establish 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. Upon receipt of a returned check, the Accounts Receivable Clerk will notify the check writer and inform him/her that his/her check did not clear and advise that there is a $25.00 return check fee due, covering any fee charged by the Town's bank plus the amount to cover the Town's expenses arising from handling the returned check. Thereafter, full payment, any penalty and interest due, and including the return check fee, must be in the form of cash, money order, or bank certified check. Including any statutorily enabled process (e.g., tax sale), as applicable, the Town will turn over any collection issues to the Fair Haven Police Department for resolution.

The foregoing policy is hereby adopted by the Selectboard and the Treasurer of the Town of Fair Haven, Vermont, this 12th day of April, 2016 and is effective as of this date until amended or repealed.

Robert Richards, Chair

Richard Frazier, Clerk

Christopher Cole

Roderic Holzworth, II

Jeffrey Sheldon

Suzanne Dechame, Treasurer