

TOWN OF DORCHESTER	POLICY NUMBER FIN - 2	ADOPTED BY SELECT BOARD
Subject: CASH RECEIPTS	Adoption Date: Oct 11, 2012 Revision Date: Effective Date: Oct 12, 2012	Supersedes: Revision Date:

2.01 Purpose. To provide guidance for handling, securing and depositing of cash receipts.

2.02 Departments Affected -All departments, officers, boards and commissions involved in the collection of Town funds.

2.03 Definitions - See FIN Appendix A1

2.04 Authorization to Accept Cash Receipts – Cash and cash equivalents shall only be accepted by authorized personnel as follows:

- A. Cash in the form of United States currency (with the inadvertent inclusion of an occasional Canadian coin) shall only be accepted by the Secretary to the Select Board, the Secretary to the Planning Board, the Secretary to the Board of Adjustment, the Town Clerk , Tax Collector, Deputy Town Clerk, Deputy Tax Collector, and in the case of cemetery burial fees, the Road Agent acting in the capacity of the grounds keeper in accordance with the Town of Dorchester municipal Cemetery Rules and Regulations, who shall each be issued a supply of two-part pre-numbered cash receipts.
- B. Cash equivalents in the form of personal, corporate, or bank checks, and or money orders may be accepted by any town officer or employee so long as they are made payable to the Town of Dorchester for the exact amount due.

2.05 Documentation of Cash Payments – The receipt of cash payments shall be documented as follows:

- A. Customer receipts – Officers and employees, designated in part A., receiving cash from customers shall insure that all customers are issued a sequentially numbered receipt at the time of collection of moneys from a customer. The customer should initial the paired copies before the original is removed from the pad. The original shall then be issued to the customer. The duplicate copies shall be left

attached to the pad to provide an audit trail of cash received. Customers should be encouraged by appropriately placed signs to request a receipt. In lieu of the sequentially numbered receipt customers paying charges at the office of the Town Clerk or Tax Collector shall be issued a receipt printed from the Avitar Clerk or Avitar Collect accounting programs whenever possible and appropriate.

- B. Customers paying by cash equivalent shall be offered the same receipts as provided to a cash customer unless they insist on making payment to an officer or employee at a location where a receipt is not readily available. In such cases their canceled check will be their receipt.

2.06 Disposition of Cash Receipts – All receipts must be remitted to the custody of the Treasurer as follows:

- A. Officers and employees other than the Town Clerk, Deputy Town Clerk, Tax Collector, and Deputy Tax Collector shall remit all receipts collected directly to the Treasurer, or the Deputy Treasurer in the absence of the Treasurer, in a timely manner and with a photo copy of the receipt provided to the customer and sufficient information to allow recording of the transaction to the proper accounting records.
- B. The Town Clerk, Deputy Town Clerk, Tax Collector, and Deputy Tax Collector shall prepare deposit reports from the Avitar Clerk and Avitar Collect accounting programs and remit the deposit to the town's general fund operating account if authorized by the Treasurer to do so under the provisions of RSA 41:29, VI, or remit them directly to the Treasurer at least weekly or whenever the total funds in their custody exceeds \$1,500.00. Cash receipts shall never be used to cash checks for town employees or the public nor shall any disbursements be made from any cash collections.
- C. Overpayments of taxes - Pursuant to RSA 80:57 Refund of Overpayments. – If any person tenders a payment for any taxes and/or interest, in excess of the taxes levied and interest incident thereto, the Tax Collector shall direct the Select Board to issue an order upon the town Treasurer to refund to the person making such payment or his heirs or assigns the excess sum so paid; provided, however, that if the sum overpaid is \$5 or less, no refund shall be required unless the taxpayer in such case shall apply in writing to the Tax Collector for said refund within 60 days of actual payment. Because the Select Board have authorized the prepayment of taxes pursuant to RSA 80:52-a, if the overpayment would not exceed two years prepayment of the taxpayers probable taxes, the collector shall contact the taxpayer seeking written authorization to retain the overpayment as prepayment of future taxes.

- D. Deposits by the Treasurer – In accordance with RSA 41:29, VII, the Treasurer shall deposit all cash and cash equivalents in his/her custody at least weekly when the total exceeds \$1,500.00 and in compliance with the provisions of the investment policy adopted by the Select Board in section 2.50.

2.07 Refusal of Customer Checks – All officers and employees shall refuse checks from customers appearing on the latest bad check listing issued by the Treasurer.

2.08 Returned checks – Checks returned for Non-Sufficient Funds (NSF) shall result in a \$25.00 NSF Check charge (RSA 80:56) posted to the issuer account as well as any additional amounts charged to the town by the financial institution . The Treasurer shall send a letter to the issuer demanding payment of the initial amount and additional penalties (in the form of cash delivered in person, a cashiers bank check, or a U.S. Postal money order) within 14 days in accordance with RSA 638:4 and providing notice that failing to do so will result in the matter being turned over the Grafton County Sheriff's Office for criminal prosecution. The Treasurer shall copy the notice to the person or office receiving the initial payment for appropriate reversal of the payment in their records. The Treasurer shall issue a memorandum to the office of the Town Clerk and Tax Collector and to the Select Board advising them that personal checks and/or business check shall no longer be accepted from the issuer of the NSF check.

The principal amount of the replacement payment shall be recorded to offset the deduction from the prior deposit. The bank portion of the additional charges shall be recorded to offset the reduction to the general fund by the bank. When remitted, the town portion of the additional charges shall be recorded as separate revenue item.

2.09 Non-compliance – Violation of this policy may result in the denial or revocation of the privilege to handle town funds. Employees who do not comply with this policy shall be subject to disciplinary action including termination.

2.10 Implementation – To facilitate conduct in accordance with this policy, a copy of this policy shall be made available to officers, employees, volunteers, board and commissions upon hiring, appointment or election to office and at such other times as may be necessary.