

CITY OF WILDOMAR ADMINISTRATIVE POLICY	Number FIN10
	Date 2/20/13
SUBJECT: CASH HANDLING	Authority City Manager
	Administrator Controller
<p>1.0 Policy:</p> <p>It is the policy of the City of Wildomar that all cash received by the City shall be collected, recorded, transported and deposited in a manner that assures the public that City assets are fully secured and available to fund public programs.</p> <p>The term "cash" applies to currency, coin, checks, money orders, credit card payments, other electronic payment media and all other negotiable instruments payable to the City.</p> <p>2.0 Responsibility:</p> <p>2.1 CITY MANAGER RESPONSIBILITY</p> <p>The City Manager is responsible for establishing and approving Administrative Policies, including the Cash Handling Policy. The City Manager is responsible for the overall administration of cash collections for the City of Wildomar. The City Manager will report any significant loss of cash to the City Council.</p> <p>2.2 FINANCE DIRECTOR (CONTROLLER) RESPONSIBILITY</p> <p>The Controller is responsible for establishing Citywide practices, forms and other actions necessary to implement the Cash Handling Policy. The Controller is authorized and directed to implement the following tasks:</p> <ul style="list-style-type: none"> a) Establish additional procedures that are consistent with the Cash Handling Policy, to implement procedures for collecting, recording, transporting and depositing cash. b) Develop and implement methods of documenting all cash transactions. c) Report any theft of cash or failure to consistently follow the Cash Handling Policy to the City Manager. d) Review Departmental cash records, including overages or shortages. e) Provide cash handling training to City Departments and City staff. f) Review Departmental practices and procedures in the handling of cash, and assist City Departments in implementing proper cash handling procedures. 	

2.3 CITY DEPARTMENTS' RESPONSIBILITIES

City Departments and Department Heads are responsible for following and implementing the Cash Handling Policy. Department Heads are authorized and directed to implement the following tasks:

- a) Implement additional Departmental procedures and actions that are consistent with the Cash Handling Policy and other similar procedures issued by the City Manager and/or Controller.
- b) Assign the collection and processing of cash only to those persons who have received training regarding the Cash Handling Policy and Departmental procedures.
- c) Collaborate with the Controller to establish and maintain a system of procedures, documentation and reporting on the collection and processing of cash.
- d) Notify the Police Department and the Controller of any theft of cash.
- e) Allow the Controller or designee to make on-site reviews and observe the collection and processing of cash, and to review Departmental collection records.

2.4 CITY STAFF RESPONSIBILITIES

City staff are responsible for understanding and implementing the Cash Handling Policy.

- a) Staff who have been trained may collect and process cash on a regular basis in the scope and course of their employment with the City.
- b) Staff who violate the Cash Handling Policy may be subject to disciplinary action, up to and including termination.

3.0 Procedures:

These procedures provide a Citywide guide for collecting, recording, transporting and depositing cash collected at City sites. Department Heads may establish additional Departmental implementation procedures that are consistent with the Cash Handling.

3.1 TRAINING OF EMPLOYEES AUTHORIZED TO COLLECT CASH

The Finance Department, in conjunction with other City Departments, shall provide periodic training and/or recommend training opportunities, for all staff who are authorized to collect cash, supervisors and Department Heads, and any new staff person whose position may require the collection or supervision of the collection of cash.

3.2 TRAINING OF EMPLOYEES AUTHORIZED TO COLLECT CASH

Authority to establish a bank account, checking account or other cash accounts at a banking depository may only be granted by the City Council.

3.3 FEE SCHEDULES

- a) Fee and Rate Schedules for City services must be adopted by the City Council, and may be modified by the City Council on a periodic basis.
- b) Wherever practical, Fee and Rate Schedules shall be posted in a location visible by customers at cash collection sites.

3.4 APPROVAL OF PROGRAMS AND LOCATIONS FOR THE COLLECTION OF CASH

- a) As of the effective date of this Cash Handling Policy, the following City sites are approved for the collection of cash, and the retention of a cash balance (start-up cash) in a secure location:
 - City Hall –Front Counter
 - Police Station
 - Parks and Recreation -Administration
 - Parks and Recreation –Special Events
 - Cemetery
- b) Authority to collect cash at additional City sites may be granted by the Controller with approval from the City Manager. Departmental requests for authority to collect cash should be in memo form and should include the purpose of the cash collection, the estimated average daily cash to be collected and the cash balance/start-up cash to be retained at the site. A City check request form for the initial cash balance/start-up cash should be submitted with the request.
- c) Authority to increase an existing cash balance/start-up cash fund may be granted by the Controller. Requests to increase an existing cash balance/start-up cash fund should be in memo form and should include the purpose of the increase. A City check request form should be submitted with the request.
- d) Authority to establish a new cash collection site or to increase a cash balance/start-up cash fund under the direct control of the Controller may be granted by the City Manager.

3.5 CASH BOXES AND SAFES

- a) Cash boxes should be accessible only by the staff handling cash and checks.
- b) Cash should be physically protected during business hours through the use of a lockable cash drawer. Cash drawers must be locked whenever left unattended.
- c) Keys to cash boxes should be kept in a secure location, accessible only by staff authorized to collect cash and their immediate supervisor(s). A written record of employees having keys should be maintained by the Department.
- d) At a predetermined time each day the cash balance/start-up funds should be segregated from cash collected, and a deposit prepared. Completed deposits should be locked until deposit through the check scanner or deposit at the bank. At the end of the business day, cash box should be locked and placed in a secure location.
- e) A supervisor shall conduct periodic audits to verify the amount in cash boxes.
- f) Cash maintained on City premises after business hours must be held in a safe that is secured to the building or wall, or as otherwise approved by the Finance Department. Cash may not be retained in desk drawers or standard file cabinets, since they are easily accessed with minimal forcing or readily available keys.

3.6 CASH AND OTHER FORMS OF PAYMENTS

- a) The term "cash" means currency, coin, checks, money orders, credit card payments, other electronic payment media and all other negotiable instruments payable to the City.

3.7 LOSS OF CASH

The term "loss" can mean either theft or cash short. Theft means the unlawful act of taking cash from the City of Wildomar. Cash short means an error or mistake in taking the required amount of cash on behalf of the City.

3.8 CHECKS

- a) Checks may be accepted for payment for City services.
- b) Checks must be made payable to the City of Wildomar or Wildomar Cemetery District. The purpose, service, program or other information may be written on the memo line on the check.

- c) Checks must be for the exact amount due; no change may be given for amounts that exceed the service. Post dated and third party checks cannot be accepted. Checks dated over 30 days old from the date payment is actually made at city hall or received in the mail, will not be accepted.
- d) Finance will initiate collections on returned checks. Departments will receive a copy of the first collection letter. The responsible party for a returned check should not be provided related services, i.e. parks & recreation program participation, building permit issuance, etc. until the funds and related fees have been collected. If the department receives payment for the returned check and related fees, Finance should be notified. Returned check charges may be paid by cash, cashier's check or money order.

3.9 CREDIT CARDS

- a) Acceptance of credit cards at City sites must be approved by the City Manager.

As of the date of this Policy, credit cards may be accepted at the following locations:

- City Hall-Front Counter

- b) When accepting credit cards, City staff must verify the name on the card against photo identification, and assure that the signature on the credit card sales draft is the same as the signature on the back of the credit card. Exception to this rule will be credit card transactions made via the telephone.
- c) Credit card purchases made from customers cannot exceed \$25,000 per customer in any one day. Credit card purchases are not allowed for mitigation fees (TUMF, MSHCP, Kangaroo Rat, etc).

3.10 RECEIPTS

- a) All cash collections must be recorded at the time of receipt by means of cash register tapes and receipts; pre-printed, pre-numbered bound City of Wildomar cash receipt book forms; through the EDEN cash receipt or permits and inspections modules or other forms of receipts approved by the Controller.
- b) Pre-printed, pre-numbered, bound City of Wildomar cash receipt books are issued by the Finance Department. No other cash receipt forms can be used without the approval of the Finance Department.
- c) Receipts shall be issued in numerical sequence.
- d) Department Heads or designee should keep all unused receipt books in a

locked drawer.

- e) The customer is to be offered a receipt for all transactions.
- f) Pre-printed, pre-numbered, bound City of Wildomar cash receipt books are to be used at all special events, any offsite collections, including the Cemetery.

3.11 RECONCILING CASH COLLECTED WITH CASH RECEIPTS

- a) Cash collected for the day, whether through the EDEN cash receipts and/or permits and inspections modules, shall be counted daily by the cashier and balanced to the amount recorded on the EDEN receipt register or receipt edit list for that day.
- b) Cash receipts must be entered in the system daily, balanced the next day and posted by the following day.
- c) The Finance department staff person shall enter the amount of the cash receipts and the cash collected on a Daily Deposit Batch summary sheet, designed to compare cash that has been collected to the cash register tape or other approved forms of receipts, with the receipt backup documentation attached.
- d) A supervisor must also compare the cash collected to the amount recorded on the cash register tape, batch, handwritten receipts or other approved forms of receipts, and sign the Daily Deposit Batch summary sheet prior to posting the transaction to the EDEN general ledger.

3.12 OVER/SHORT PROCEDURES

- a) A cash overage or cash shortage occurs when the cash received is more than the amount recorded by the cash register receipts ("over") or less than the amount recorded by the cash register receipts ("short").
- b) An Over/Short Form must be filled out for any cash transaction for which the cash collected is not equal to the amount recorded by the cash receipts in EDEN. The Over/Short Form must be signed by a supervisor. All Over/Short incidents must be investigated and money is to be collected or returned.
- c) Employee performance evaluations may be based in part on the frequency and/or magnitude of over/short occurrences.

3.13 BANK DEPOSITS

- a) Cash collected during a business day is required to be deposited through the check scanner on a daily basis. All cash monies received during the week must be brought to the bank for deposit by Thursday afternoon of each week or sooner.
- b) Cash collected on weekends or holidays for special events or offsite collections must be brought to city hall after the event and secured in a locked, safe location awaiting placement in the safe on the next regular business day.
- c) A Finance department staff person must be present at the special event to handle the cash transactions and return the cash box to city hall.
- d) The Finance department staff person will complete a Special Event Cash Summary form, detailing the amount of sales and cash reconcile to the amount of cash collected. Any expenditures pertaining to the special event shall not be made using the cash collected.
- e) A deposit slip issued by the City-approved bank depository must be filled out for each deposit when the check scanner is not used. The total amount of the cash and checks recorded on the Deposit Slip must equal the total cash recorded on the Daily Deposit Batch Summary.
- f) Daily Deposit Batch Summary, related receipt backup documentation, checks, cash and credit card slips must be placed in a locked safe, until deposited.
- g) Transportation of cash by City staff should not conform to any regular time schedule.

3.14 PROHIBITED TRANSACTIONS

- a) Cash that is collected at City sites may not be used to pay vendors, staff, instructors, umpires, referees, contractors, reimbursements or other expenses of any kind. Check requests, petty cash, or city issued credit cards must be used for all such payments.
- b) Cash collected at City sites may not be used for refunds of any kind. Check requests must be used to authorize and process refund payments.
- c) City staff is not authorized to cash checks, payroll checks, money orders or any other similar instruments with cash collected at a City site.
- d) Loans or borrowing from cash collected at City sites is prohibited.
- e) Instructors who conduct classes through City programs are not authorized to accept payments directly from people who are enrolled in programs and

classes. Payment for class enrollment must be made through the mail or directly to the Department responsible for the City program.

3.15 REPORTING THEFT, ROBBERY, FRAUD, EMBEZZLEMENT

- a) In the event of a robbery of any kind, staff should not attempt to physically interrupt or otherwise resist the perpetrator.
- b) Immediately following a robbery attempt, staff must notify the Police Department, supervisor and City Manager. The supervisor or should subsequently notify the Finance Department of any amounts lost due to the robbery. Written notice describing all details of the theft shall be given to the Police Department and the Controller no later than twenty-four (24) hours after discovery.
- c) City staff should be aware of indicators of counterfeit currency. If counterfeit currency is suspected, immediately contact the Controller and Police Department. The Police Department will issue additional instructions on the recognition of counterfeit bills, and actions to be taken if a counterfeit bill is suspected.
- d) If a City staff person is suspected of embezzlement, theft, fraud or any malfeasance, misappropriation of City funds, it must be reported to the Controller and City Manager, or to the City Attorney, immediately with sufficient documentation to support such claim. An investigation will be conducted if deemed necessary and the appropriate actions to be taken, up to and including termination if deemed warranted.

Approved: _____



Date: _____

2/20/2013