

CASH RECEIPTS, PETTY CASH, AND RETURNED CHECK POLICY

Town of Wells

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 Wells: treasurer, assistant treasurer, town clerk, assistant town clerk, collector of delinquent taxes, selectboard members, cemetery commissioners, trustees/committee members of public funds, library trustees, librarian, transfer station attendant, highway department personnel.

PROPER PAYEE. All checks, money orders, and credit card payments, regardless of function, must be made payable to the Town of Wells. 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 *[using a two-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 to the treasurer with the funds.

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 \$500 or more must be deposited with the treasurer no later than the following business day. Funds collected totaling less than \$500 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 documentation of funds being turned over. 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 daily when possible but at the minimum weekly and retain copies of all deposit statements issued by the bank. Each department will receive from the treasurer a monthly list of deposits that have been verified through the bank statement. Any discrepancies shall be reported to the treasurer.

PETTY CASH. No officer, employee, volunteer, department, committee, board, or group may establish

a petty cash system without consent from the selectboard and the treasurer. The selectboard will appoint an officer, employee, or volunteer to be custodian for each petty cash account. A base petty cash amount must be determined by the treasurer. A lockable cash box will be used to store petty cash and must be locked at all times. The key will be kept in a secure location. Only the petty cash custodian and the treasurer will have access to the locked petty cash box and key.

A pre-numbered, two-part receipt will be issued by the custodian or the treasurer for each payment made out of petty cash. This receipt is to be signed by the custodian or treasurer and the officer, employee, or volunteer receiving the petty cash. Payments out of petty cash will be made only when a valid receipt is presented. Should prepayments out of petty cash be necessary, a memo explaining the purpose of the prepayment must be signed by the custodian or treasurer and the officer, employee, or volunteer and placed in the petty cash box or drawer until a receipt can be obtained.

At all times the total of receipts added to the cash remaining in the petty cash box must equal the predetermined petty cash amount. Under no circumstance will personal funds be used to compensate shortages. All shortages must be brought to the attention of the treasurer immediately upon discovery. Reconciliation should be completed on a routine basis.

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. If the bank charges the town a returned check fee, this fee will be passed onto the customer. The town does not redeposit checks after they have been returned.

The foregoing Policy is hereby adopted by the selectboard and the treasurer of the Town of Wells, Vermont, this 5th day of December and is effective as of this date until amended or repealed.

Nora Sargent
Treasurer

[Signature]
Chairperson

TOWN OF WELLS CREDIT/DEBIT CARD POLICY

PURPOSE. Credit/Debit cards provide a convenient method of obtaining goods and services for the Town. However, by their nature, credit/debit cards provide an opportunity for unauthorized purchases and fraudulent activity. The purpose of this policy is to establish criteria for the proper use of credit/debit cards when conducting Town business.

CARD HOLDERS AND LIMITS. The selectboard will determine which officers and employees of the Town will be authorized to use a Town issued credit/debit card and will establish appropriate limits for each purchase and the total credit limit for each card. The selectboard or Town Treasurer will request and set up the credit/debit cards under the Towns account with the cards being issued in the names of authorized officers and employees. All credit card statements should be mailed to the Town Treasurers office.

CREDIT/DEBIT CARD USE. Credit/Debit cards issued under this policy may only be used by the named cardholder to conduct Town business. Credit/Debit cards may not be used for personal purchases, cash advances, or purchases that exceed the cardholder's authorized purchase limit. A cardholder who makes unauthorized purchases or advances will be liable for the amount of such purchases or advances, plus any administrative fees charged by the bank in connection with the misuse. Employees may be subject to disciplinary action for misuse of a Town credit/debit card, up to and including termination.

SECURITY. Authorized credit/debit card users are responsible for the card's protection and custody and shall immediately notify the selectboard chair and the credit/debit card company or bank if the credit/debit card is lost, stolen or has had any fraudulent activity on it.

DOCUMENTATION. Every two weeks on the Monday before Selectboard meeting, authorized credit/debit card users shall submit to the treasurer a detailed invoice/receipt which describes the goods or services purchased, the cost of the goods or services, the date of the purchase, and the official business for which it was purchased.


-For over-the-counter purchases, documentation will include the invoice and/or customer copy of the charge receipt and purchase order, if required.

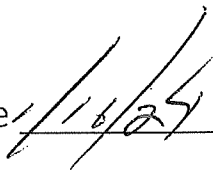
-For internet purchases, documentation will include a copy of the receipt and order confirmation page, and purchase order if required.

-For telephone purchases, documentation will include a faxed copy/emailed of the receipt from the vendor, and purchase order if required.

The treasurer will reconcile all credit/debit cards invoices/receipts monthly against the monthly statement before payment is made.

SEPARATION. Prior to separation from the Town, the cardholder will surrender the credit/debit card to the selectboard chair or Town Treasurer along with any outstanding invoices/receipts. Final paycheck will not be given until the invoices/receipts and the card are turned over. The Town Treasurer or any other authorized agent will then cancel the credit/debit card.

Chairperson  _____

Date  _____

Authorized user _____

Date _____

Treasurer _____

Date _____

The foregoing Policy is hereby adopted by the selectboard of the Town of Wells Vermont, this 16 day of January 2024 and is effective as of this date until amended or repealed.

Wells Town Treasurer:

Nora Sargent

Selectboard members:

Mark Car CHAIR

Jimmy Holcomb
Paul Woodruff