

CASH MANAGEMENT CASH RECEIPTS POLICY

City of Mount Vernon
New York



City Council

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CASH MANAGEMENT – CASH RECIEPTS CITY OF MOUNT VERNON

LEGEND

- Task
- Procedure

WHY IS CASH MANAGEMENT IMPORTANT?

Cash Management is indispensable, it is the catalyst, which allows the City of Mount Vernon to limit its cash outflow and accelerate cash inflow. The City of Mount Vernon wants to increase the amount of money flowing into the city. An improved inflow of cash can assist the Comptroller's office and city's leaders, meet the various needs and obligations for the city.

Cash Management for the Mount Vernon's Comptroller's Office is the benchmark, the financial point of reference, which will help the Comptroller and Mayor make keen financial decisions.

ITEMS COMPTROLLERS OFFICE NEEDS TO ASSURE

- Provide centralized cash collections, fewer locations, and fewer employees collecting cash reduce opportunities for theft to occur and provide better accountability over cash collections.
- Designate separate cash drawers. A separate cash drawer for each collector provides individual accountability over received cash. In the event an employee is engaged in theft, separate cash drawers and individual accountability make it easier to trace the theft to the responsible party.
- Checks over a taxpayer's due amount **should not** be accepted. The City of Mount Vernon Comptroller's Office is not a bank and cannot provide "cash back" services.
- Secure undeposited cash in a safe location and prepared deposits until they are deposited in the bank.
- Limit access to the safe location, when not in use. Limit unauthorized personnel near funds before the funds can be deposited in the bank.
- Deposit monies timely. **Minimum twice a week**, funds are to be deposited into JP Morgan Chase the bank of choice. Prolonged un-deposited money increases the risk of loss or theft.
- Prepare and maintain detailed deposit slips. Deposit slips must be detailed to identify the composition of the deposit between cash collected and individual checks deposited.
- Bank reconciliation should be completed monthly and the Senior accountant preparing the bank reconciliation should be the keeper of all deposit slips.
- Set a fee for Non-Sufficient Funds (NSF) transactions and notify such fee to all taxpayers. An (NSF) fee will deter customers from issuing checks that will not clear the bank.

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PROCEDURE FOR THE CASHIER

RECEIVING CHECK AND CASH PAYMENTS

- When a taxpayer presents one-self to settle their due tax payment(s), the Cashier shall meet and greet the taxpayer.
- The Cashier shall endeavor to provide an answer(s) to any taxpayer question(s). In the event the Cashier is not able to provide the appropriate answer(s) to the taxpayer, the cashier is to contact the Comptroller or one of his deputies in order to obtain the relevant answer(s) to the question(s) posed by the taxpayer.
- The Cashier shall provide a statement of account(s) to all taxpayers. Should the taxpayer be in agreeance with the statement of account(s) and the taxpayer makes payment(s), the Cashier shall provide the taxpayer with a receipt as their proof of payment.
- The Cashier is to process all received payment(s) in the Tax Collection System, thus indicating a registered payment is made in cash, check, or money order.
- The Cashier shall secure the daily collected funds, cash, and check payments in a designated locked draw.
- All daily tax payment(s) transactions shall cease at 3:00 PM given cashier time to reconcile cash drawer.
- All tax payment(s) received after 3:00 PM shall be recorded and reconciled the following business day.
- The Cashier shall prepare a bank deposit slip (separating cash and checks on a deposit slip) for the daily receipts and or transactions to be deposited into JP Morgan Chase the bank of choice.
- The completed deposit slips shall be handed over to the 2nd Deputy Comptroller for review and any corrections if needed.

RECEIVING CREDIT CARD PAYMENTS

- Should a taxpayer payment(s) is/are made via credit card; the cashier shall collect said payment(s) using the Info-Tech Credit card system.
- The Cashier shall provide the taxpayer with a receipt as their proof of payment.
- The Cashier shall then process the received credit-card payment in the Tax Collection System, thus indicating the taxpayer payment(s) was/were paid by means of a credit card.

PROCEDURE FOR EXECUTIVE ASSISTANT (“EA”) TO THE COMPTROLLER OR DESIGNEE

- The EA or designee is to receive a completed bank deposit slip from the 2nd Deputy Comptroller for deposit.

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- The EA or designee is tasked to make monetary deposits at least **twice a week** into JP Morgan Chase the approved banking institution of the City of Mount Vernon.
- The EA or designee **is tasked** to telephone the Police Department to attain security escort to and from the approved banking institution.
- The EA or designee shall subsequently hand over the after-deposit slips and a cash report to the Senior Accountant to record and scan said information in the Finance drive for record-keeping.

PROCEDURE FOR SENIOR ACCOUNTANT

- The Senior Accountant when receiving the deposit slips and cash report(s) from the EA or designee shall confirm the accuracy of the account codes.
- The Senior Accountant shall make any corrections on the said cash report as needed for the preparation of the journal entry.
- The Senior Account shall also confirm **ALL** deposited amounts.
- The Senior Accountant shall book the necessary journal entry to record banking deposits in the general ledger system (Munis).
- The Senior Accountant shall add **ALL** the supporting depository documentation(s) into Munis the accounting software.
- The Senior Accountant shall additionally scan all supporting documents in the Finance drive as a backup of the journal entry and for auditing purposes.
- The Senior Accountant shall also scan a copy of **ALL** cash reports and Journal entries in the Finance drive for record keeping.