

# TOWN OF HOLLISTON FINANCIAL PROCEDURES

## Departmental Receipts

### Purpose

The purpose of the Departmental Receipts Procedure is to establish policy and procedures for the efficient and accountable handling and timely turnovers of Town monies (cash and checks) collected or received by all departments, boards, committees and commissions.

### Policy

All revenues received for the Town of Holliston by any department must be carefully and accurately accounted for and then turned over to the Treasurer/Collector in a timely manner. It is important to remember that these received monies belong to the public and must be treated as such. The departmental staff are entrusted with these funds and must protect them for the public. Every Officer shall pay into the treasury of the Town all amounts received by him/her on behalf of the Town, except as otherwise provided by law, and shall make a true return thereof to the Town Accountant, stating the accounts upon which such amounts were received. No disbursements may ever be made from any departmental receipts. All receipts must be remitted intact to the Treasurer/Collector. All disbursements must be paid through a Payable Warrant, either Bills Payable or Payroll. Even electronic wire transfers and direct deposits *must* go through the Warrant process.

### Procedures

All monies should be turned over to the Treasurer/Collector on an original *Schedule of Departmental Payments to Treasurer* form and a copy of the *Schedule of Departmental Payments to Treasurer* submitted separately to the Town Accountant.

NOTE: In the case of the Treasurer/Collector, the collector logs payments directly into the accounts receivable computer program, which acts as the receipt log.

When a department has collections in cash, coin, and/or checks that total \$500.00 or more a timely turnover must be made to the Treasurer/Collector. If a department has on hand collections less than \$500.00, the monies are to be turned over to the Treasurer at a minimum of once a week. Departmental collections that are not turned over on a daily basis are to be held in a location that is secure from potential fire and theft. All checks received and not turned over to the Treasurer immediately should be stamped "for deposit only" before securing them pending turnover. The Treasurer shall count the receipts and initial a copy of the turnover to be retained by the Department. The other copy of the turnover sheet together with the receipts shall be posted in the computer system. The Turnover sheets shall identify the account(s) to be credited, a narrative description of the receipts and the name of the department submitting the receipts. Departments shall establish procedures to safeguard the collection and remittance of receipts. The person collecting the receipts shall remit the money together with the receipt documents to another individual in the department who shall verify the money count and compare it to receipt totals. Discrepancies shall be resolved at the time of remittance. The receipts shall be logged into a Department Receipt Log on a daily basis. Important data must be included on that form such as date, payer, receipt number, license/permit number, type of receipt, amount received and whether the receipt is in the form of cash or a check. The Town Accountant shall periodically, but not less than once per year, perform site visits to the

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departments to audit the receipts process as required by state statutes. The *Schedule of Departmental Payments to Treasurer* form to be used is the excel spreadsheet of Departmental turnovers provided to each department by the Treasurer. Three copies of the schedule are to be presented to the Treasurer with funds received. All three forms will be signed by the Treasurer, or applicable staff member. One will be retained with the funds, one copy is to be given to the Town Accountant, and one maintained by the department. This is an example of an accounting control that ensures that more than two parties are accounting for the monies received. The form should contain the name of the department, the turnover number, turnover date, name and number of applicable general ledger revenue account, list of monies collected by the department and total amount turned over to the Treasurer. The department head or responsible departmental staff person must sign this form.

At the close of every month or quarter, the responsible departmental head should reconcile their various revenue accounts to the general ledger to insure that proper credit and categories are maintained. Any discrepancies should be reported to the Town Accountant.

Holliston Board of Selectmen



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Joseph P. Marsden, Chair



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John D. Leary, Jr., Vice-Chair



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Kevin P. Conley, Clerk

Approved: May 27, 2015