



City of Kyle, Texas
CASH HANDLING POLICY & PROCEDURES
Updated: May 29, 2017

The City of Kyle maintains and adheres to financial policies that comply with accounting and financial reporting standards, internal controls, and incorporates best practices for the safeguard and protection of City's financial assets.

The Cash Handling Policy and Procedures is established to provide all City employees handling cash, checks, money orders, cashier's checks, credit cards, debit cards, and other cash equivalents with a standard set of guidelines in carrying-out their day to day job duties and responsibilities pertaining to cash handling functions and to ensure employee accountability.

One of the objectives of the Cash Handling Policy and Procedures is to help protect City employees against errors, fraud, theft, overages and shortages, and to improve employee accountability.

Handling Currency and Coin

Cash must be protected against loss upon receipt from the customer and at all points thereafter. Practice good cash handling procedures including the following:

1. Minimize disputes over the amount being paid by a customer by leaving currency on the cash register ledge or other secure area visible to the customer until the transaction is completed.
2. Check for large-denomination counterfeit bills.
 - o Use a counterfeit bill detector pen, which will be provided to you by your supervisor. Please ensure your cash drawer has a counterfeit bill detector pen at all times.
3. Check for the security features incorporated into the US currency bills. This information is available at <http://moneyfactory.gov/uscurrency.html>
4. Always count change back to the customer.
5. Make sure the currency, coin, or check from a transaction is placed in your cash drawer before handling the next transaction.
6. Never accept payments made in non-US currency (currency from other countries).
7. Do not make change for employees or others from your cash drawer.

8. Do not cash checks, money orders, traveler's checks, payroll checks or any other form of payment for employees or others from your cash drawer.

Handling Checks

Please follow these steps to handle a transaction involving a check:

1. Ensure the check meets all of the following criteria:
 - Properly filled-out and all information provided is legible
 - Payable in U.S. dollars
 - Payable to "City of Kyle"
 - Has current date, do not accept postdated checks (a date in the future).
 - Numerical and written-out amounts match
 - Contains no markings or notations below the "memo" or signature line
 - Does **not** contain the notation "Payable/Paid in Full" or similar reference
 - If it does, check with your supervisor before accepting
 - Signed by the check account holder
 - Examine driver's license or other valid identification verifying the following
 - Presenter's appearance matches ID photo
 - Name and signature on ID match that on check
 - Confirm with presenter that the printed address on check is current
 - Write the following information on the face of the check:
 - Full name of presenter, if not provided on check
 - ID card number and expiration date
 - Phone number
2. Endorse the check immediately upon acceptance, using either a cash register or an endorsement stamp.
3. Always print and issue a payment receipt to the customer.

Handling Debit/Credit Cards

Please follow these steps to handle a transaction involving a debit or a credit card:

- Be aware of the types of credit cards the City of Kyle accepts.
- Determine that the signature on a credit card sales draft is the same as the authorized signature provided on the back of the card.
- Customers should be made aware that only credit cards with the customer's signature will be accepted. If the back of the credit card is not signed, ask to see the customer's identification.
- After confirming the cardholder's identity, request the customer sign the back of the credit card in your presence.
- Be sure to apply the City's credit card processing fee.
- Always print and issue a payment receipt to the customer.

Handling Money Orders

Please follow these steps to handle a transaction involving a money order:

- The City of Kyle will only accept money orders from the following makers/issuers:
 - Western Union
 - Seven-Eleven Stores
 - HEB Grocery Stores
 - Wal-Mart Stores
 - Local banks and credit unions
- Ensure the money order is made or issued by one of the above entities.
- Ensure the money order includes a date of purchase and has a current date.
- Verify security features, such as watermarks and security strips.
- Make sure the money order is made out to the City of Kyle.
- Make sure the customer has his or her name and address on the money order.
- Make sure the customer signs the money order.
- Always have your supervisor review and approve the money order before accepting it to prevent acceptance of a fraudulent money order.
- Be sure to compare the customer's signature on the money order against their identification form such as their driver's license.

Employee Responsibilities

- You are responsible for safeguarding the cash drawer assigned to you.
- Do not share or allow other employees to use your cash drawer.
- At opening on each work day, complete the following:
 - Count your drawer to make sure you have the correct amount.
 - Make sure you have appropriate denominations to make change during the day.
 - Contact your supervisor immediately if your cash drawer is short or over when counting at opening
- At closing on each work day, complete the following:
 - Account for and reconcile all payment receipts handled through your cash drawer.
 - Determine the cash amount collected during the day.
 - Count your cash drawer.
 - Contact your supervisor immediately if your cash drawer is short or over when closing count has been completed.
 - Please note that the employee is held responsible for any cash shortage in excess of \$1.00 in their assigned cash drawer. Overage, if any, regardless of the amount shall be retained by the City for reimbursement to the customer.
 - Prepare your bank deposit documents and bank deposit bag for all cash collected.
 - Be sure to secure and lock your cash drawer and the bank deposit bag in the department safe until next business day.

Daily Balancing & Closing of Cash Drawer

It is important to count, reconcile, and balance the cash drawer at the close of each business day and to prepare the bank deposit. The daily balancing and closing of cash drawer not only safeguards the City's assets but also protects the staff member responsible for the cash drawer against errors, shortages, and any fraudulent transactions.

Each team member who is assigned a cash drawer must, at the closing of each business day, count, reconcile and balance their cash drawer by completing the following procedural steps:

- Print the end of day transaction recap report from STW or LT Systems.
- Count the total amount of cash (currency notes and coins) amount in the drawer.
- Place \$100.00 back in the cash drawer which is the beginning or starting cash amount for each cash drawer.
- Count remainder of cash both currency notes and coins.
- The remaining cash amount should match the cash amount as shown on the end of day transaction recap report from STW or LT Systems.
- If remaining cash amount is short or over, do a recount to make sure accurate counting.
- Contact your supervisor to record the amount of shortage/overage, as necessary.
- Lock the cash drawer in a secure desk drawer for the night.
- Prepare daily cash deposit – see procedures below.
- Prepare daily remote bank deposit – see procedures below.

Remote Check Deposit

When making remote check deposit directly to the City's bank account (not using RemitPlus), ensure the following steps are completed to receive proper credit to the bank account:

- Sign in to Wells Fargo CEO Portal using your Custom Secure Login
- Go to Desktop Deposit
- Create Deposit
 - Enter Control Total which should be the total amount of your checks to scan in
 - Deposit Name = Initials, Department, DCCR Date (example: JL FIN 11/21/16)
- Insert checks in the scanner tray in the order of check size - smallest to largest
- When placing checks in the scanner tray, ensure the check faces outward (towards you)
- Scan checks
- Review Deposit Now and make sure amounts on screen match checks in hand. Ensure to check each one individually.
- If prompted, correct any errors.
- Control Total should match Running Total.
- Submit Deposit only after all amounts match and all issues are resolved.
- Must print out "Express Report" to attach to the Daily Cash Collection Reconciliation (DCCR) report. Refer to Daily Bank Deposit section.
- Log Off from your account.

Daily Bank Deposit

For Currency Notes, Coins & Checks (Non Remote Bank Deposits)

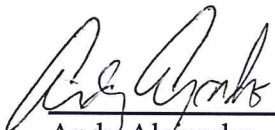
When preparing and completing the Daily Cash Collection Reconciliation (DCCR) Form, ensure the following steps are completed for an accurate count and proper documentation for daily cash bank deposits:

- Enter the correct date.

- Count the currency notes and coins to determine the actual amount being deposited.
- Accurately prepare the bank deposit ticket/slip, be sure to list the currency breakdown.
- Enter the correct amount on DCCR of actual cash being placed in the bank deposit bag.
- Make sure the amount of deposit reconciles or matches with the amount of deposit shown on the report generated from the software application system being utilized.
- **IMPORTANT:** If there is an irreconcilable difference between the total amount on the system report and the actual cash count, contact your supervisor for assistance.
- If amounts are fully reconciled, then correctly place the bank deposit ticket/slip inside the bank deposit bag in order to ensure that the deposit amount on the bank deposit ticket/slip is visible from the outside of the bank deposit bag.
- Review and verify all information on the DCCR Form.
- Sign your name in ink and date the form.
- Seal the bank deposit bag.
- Attach all required documentation to the DCCR Form.
 - Deposit ticket/slip for cash and checks (non remote bank deposit)
 - Credit card receipts both for individual transactions and daily batch total
 - Express report for checks deposited using remote deposit
- Attach DCCR Form to the sealed bank deposit bag and place it in the department safe.

Cash Handling Policy & Procedures Reviewed & Concurred By:


This Cash Handling Policy & Procedures in its current form and update was reviewed and concurred for implementation by the following supervisors in the Financial Services Department:



 Andy Alejandro
 Accounting Manager
 Budget & Accounting




 Martha Rose
 Court Administrator
 Kyle Municipal Court



 Jane Perez
 Utility Billing Supervisor
 Utility Billing

Approved By:



 Perwez A. Moheet, CPA
 Director of Finance