



## REVENUE TURNOVER

### PURPOSE

To safeguard Town assets and maximize cash flow, the Town establishes this policy that provides guidelines for departments to turn over receipts to the Treasurer/Collector. Included are details of internal controls designed to provide reasonable assurance that the Town's revenues are properly and timely secured, recorded, and deposited in Town bank accounts.

### APPLICABILITY

This policy pertains to all cash, check, credit card, and other forms of payment received by all Town departments for taxes, excise, fees, federal and state government receipts, and charges. It applies to the individuals within each department assigned responsibility for handling payments.

### POLICY

The head of each department that receives payments is responsible for instituting and employing internal controls designed to ensure that all receipts are recorded accurately, kept secure from loss or theft, and turned over timely to the Treasurer/Collector. Each department must turn over at least weekly and must do so immediately whenever collections total \$500 or more. All current month turnovers will be completed on the last business day of the month no later than 11:00 AM.

### PROCEDURES

#### A. Receiving Payments

Town department staff must issue a receipt for every cash collection received, even when the payer attempts to refuse it. Cash payments must be identified as such in their department's receipt books. All checks received by department staff must be endorsed with "For Deposit Only" upon receipt. Every department collecting monies shall secure all payments in a locked cashbox or safe until completing a turnover to the Treasurer/Collector.

The School Department deposits lunch program receipts into a Town bank account. These deposits shall take place the same day as receipt. Copies of the bank deposit slips shall be included with the turnover to the Treasurer/Collector.

Each department head is responsible for overseeing the processing, recording, record retention, and turning over of collected receipts to the Treasurer/Collector.

#### B. Turning Over Revenues

Departmental staff will create a turnover package by filling out a standard Schedule of Departmental Payments (i.e., the turnover form) in triplicate with the preparer's signature. When the Treasurer/Collector's office has accepted the turnover, the department employee will receive two

copies of the turnover form signed by a Treasurer/Collector staff member. The department employee will retain one turnover copy on file and is responsible for delivering the other to the Town Accountant. The Town Accountant shall refuse to accept any turnover form that does not have the signature of a Treasurer/Collector staff member.

All departments that receive payments should review their monthly revenue reports against their turnover copies to verify that all receipts turned over to the Treasurer/Collector are accurately recorded in the appropriate general ledger accounts and report any discrepancies to the Town Accountant.

#### C. Receiving Turnovers

When presented with a turnover, Treasurer/Collector staff will verify the total amount of money received in the presence of the department turning over. Any inaccuracies on the turnover form will be corrected and initialed by both parties. The Treasurer/Collector staff member will then sign two turnover copies and give these back to the departmental employee. Upon receipt, the Treasurer/Collector will secure the receipts, which will be recorded in the cashbook and deposited at the bank within 24 hours.

To the extent practicable, separate individuals should be tasked with 1) receiving the turnovers, 2) recording the revenues in the cashbook, and 3) depositing the money in the bank.

The Treasurer/Collector will enter the receipt data in the Munis system and provide the Town Accountant with a copy of the batch for review and posting. a ) for review and formal indication of agreement, or changes if any.

#### D. Reconciliation

In accordance with the Town's Reconciliation policy, the Treasurer/Collector will reconcile the cashbook with bank statements and provide a summary of cashbook balances to the Town Accountant monthly.

#### E. Audit

All cash management activity is subject to review by the Treasurer/Collector and the independent auditor. The treasurer/Collector will be responsible for providing ongoing quarterly audits of any department that manages a revolving account. Audits will be randomly performed. Audit function will include but not limited to reconciliation of issued receipt /certificate numbers to the department reporting and the reconciliation of the final bank deposit confirmation.

#### **REFERENCES**

[M.G.L. c. 41, §35](#)

[M.G.L. c. 41, §57](#)

[M.G.L. c. 60, §57A](#)

Carlisle Reconciliations Policy

Massachusetts Collectors Treasurers Association: [Treasurer's Manual](#) & [Collector's Manual](#)

#### **EFFECTIVE DATE**

This policy was adopted in October 2023.