

Town of Provincetown Financial Policies and Procedures Manual

6. Treasury Management

Purpose:

To establish sound financial controls and practices related to the treasury management process of the Town of Provincetown as administered by the Treasurer. These policies outline the actions related to the receipt and disbursement of funds as well as the timely and accurate reconciliation of all Town bank accounts.

Authority/Requirement

MGL Chapter 41 Section 35, 41, and 57

The Treasurer must be continuously bonded consistent with the provisions of MGL Chapter 41, section 35. The Finance Director shall verify that the treasurer is bonded as required.

CASH RECEIPTS

POLICY

It is the town's policy that the treasurer/collector's office is solely responsible for the entry of cash receipts to the MUNIS accounting system. Departments may, with approval of the Treasurer, complete their own deposits at the bank. In all other instances, the town and school departments must turn over receipts to the treasurer/collector's office when at least one of the following occurs:

- Collected \$250 or more in cash
- Collected \$500 or more in checks
- Every week regardless of amount collected

It is each department's responsibility to establish procedures to safeguard the collection and remittance or receipts until turned over to the Treasurer.

The Finance Director or his/her designee shall periodically make unscheduled visits to each department not less than once per year to audit the receipt process.

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PROCEDURES

1. Departments that collect receipts will compile and turn all receipts over to the treasurer/collector's office adhering to the policy stated above, in a manner agreed upon by the department and the Treasurer.
2. The treasurer/collector's office representative will sign a turnover form as verification that the total amount indicated reconciles with the total cash and checks presented unless otherwise agreed upon by the department and the Treasurer.
3. Each department shall retain one copy of the form used for the turnover for their own reconciliation purposes.
4. Each department that collects cash receipts shall review the month-end revenue reports from MUNIS to verify that all cash receipts were recorded to the correct GL revenue account. Any discrepancies shall be reported to the Finance Director.

CHECK TAILINGS (Uncashed Checks)

POLICY

The Town's policy is to identify and research all uncashed checks (Tailings) as part of the timely reconciliation of all bank accounts. All checks in an amount greater than \$100 that are not cashed within 180 days will be investigated. Continuously throughout the year, uncashed checks over 180 days old will be booked to the Town's Tailings Liability Account.

PROCEDURES

1. During the monthly process of reconciling the Town payroll and vendor accounts, uncashed checks (tailings) issued more than 180 days ago will be researched and subsequently booked to the Town's Tailings Account by the Treasurer.
2. As deemed necessary, a letter will be sent to all owners of Check Tailings instructing them to submit an Uncashed Check Claim Form to request a reissued check from the Treasurer.
3. Periodically, names of owners of uncashed checks will be published on the Town's website and in a local newspaper. This will begin the process detailed in MGL Chapter 200A Section 9A.

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4. The Treasurer will follow the process detailed in MGL Chapter 200A Section 9A for all Check Tailings advertised in a local newspaper, and each outstanding check will either be reissued to its original payee or otherwise authorized receiver, or the funds will escheat to the Town of Provincetown as general revenue.

CASH/ACCOUNT RECONCILIATION

POLICY

Monthly: the Treasurer will fully and accurately reconcile each Town bank account within two weeks of receipt of each associated bank statement. Once all bank accounts have been reconciled, the Treasurer will fully and accurately reconcile the total ending cash balance of all accounts to the total ending balance of the Finance Director's general ledger cash. The Treasurer and Finance Director will fully and accurately reconcile to each other within 30 days of the close of the month in question. The final cash reconciliation document shall be signed by the Treasurer, presented to the Finance Director, and made available to Town Management if requested.

Quarterly: the Treasurer will fully and accurately reconcile the total cash as reported by the Treasurer to the total cash as reported by each separate fund in the general ledger. Discrepancies will be reviewed and corrected by both the Treasurer and the Finance Director.

PROCEDURES

1. The Treasurer reconciles all MUNIS cash accounts to each bank statement monthly.
2. The Treasurer reconciles the total of MUNIS cash accounts to the total of general ledger cash monthly.
3. The Treasurer will document all items that are carried at the end of each month, which should include only the following:
 - Deposits in Transit
 - Outstanding Checks/Payments
 - Items Cleared in the Following Month
4. The Treasurer will submit all reconciliations to the Finance Director monthly.

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5. The Finance Director will review all reconciliations to ensure full and accurate reporting of cash by the Treasurer monthly.
6. All cash and account reconciliations will be made available upon request to Town Management.

Adopted by the Provincetown Board of Selectmen on February 26, 2018. 3-0-0