

Limit Cash Handling in Town Hall

To reduce the number of departments that handle cash, a few municipalities require all payments to be made at a central town hall location. These include payments for permits, licenses, dump or beach stickers, recreation programs and any other non-committed charge. The collector continues to receive real and personal property taxes, motor vehicle and other excises, and often times water and sewer payments. Because the departments no longer receive payments, they have no money to turnover to the treasurer.

Typically, a resident completes paperwork at the department where the charge originates, and then makes payment at the treasurer's office. With a payment receipt in-hand, the resident returns to the department to complete the transaction. Some additional thoughts:

This practice works best where all, or most, departments that accept cash are located in town hall. Otherwise, traveling between offices in different buildings imposes an inconvenience on people.

All departments follow the same process and use a standardized receipt in an Excel spreadsheet. The form is numbered and designed to include details that specify each department and the type of payment received. It can be distributed electronically and filled out electronically or in hard copy. It also becomes an easily recognizable record of a departmental receipt.

Payments are more appropriately made to the town treasurer rather than to the collector. If the payment were taken-in by the collector, he or she would then be required to turnover the cash to the treasurer. When payments are made directly to the treasurer, this step is eliminated.

Department are expected to maintain a detail record of each individual transaction that it reconciles against revenue reports periodically generated by the accountant. The treasurer must establish a process for receiving and posting payments, which would be summarized by revenue type in monthly (or more frequent) receipt reports to the accountant. The receipts become part of the treasurer-accountant regular cash reconciliation process.

One additional point, payment by check over-the-counter and by credit card online can be encouraged, but a municipality cannot lawfully refuse to accept a cash payment from anyone.