City of Spokane
808 W. Spokane Falls Blvd. Spokane, WA 99201

CASH HANDLER POLICY AND PROCEDURES MANUAL
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION #</th>
<th>PART 1: AN INTRODUCTION TO CASH HANDLING</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Authority</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Federal Regulation</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>Custodial Responsibility &amp; Liability</td>
<td>9</td>
</tr>
<tr>
<td>5</td>
<td>Cash Handler Training Overview</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>Cash Handler Compliance</td>
<td>10</td>
</tr>
</tbody>
</table>

**PART 2: MONEY RECEIVED BY THE CITY**

<table>
<thead>
<tr>
<th>PART 2</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Currency, coin, check, credit and debit cards</td>
</tr>
<tr>
<td></td>
<td>A. United States Currency Samples</td>
</tr>
<tr>
<td></td>
<td>B. Canadian Currency Samples</td>
</tr>
<tr>
<td></td>
<td>C. Rolled coin; Value &amp; Composition</td>
</tr>
<tr>
<td></td>
<td>D. Check Recognition</td>
</tr>
<tr>
<td></td>
<td>E. Credit &amp; Debit Cards</td>
</tr>
</tbody>
</table>

**PART 3: CASH HANDLER PROCEDURAL GUIDELINES**

<table>
<thead>
<tr>
<th>PART 3</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Receiving Money From A Customer</td>
</tr>
<tr>
<td></td>
<td>Cash Receiving Duties</td>
</tr>
<tr>
<td></td>
<td>Counting Coin &amp; Currency</td>
</tr>
<tr>
<td></td>
<td>Strapping &amp; Bundling Currency</td>
</tr>
<tr>
<td></td>
<td>Closing Activity</td>
</tr>
<tr>
<td></td>
<td>Cash Over/Short Policy</td>
</tr>
<tr>
<td></td>
<td>Acceptance of Checks</td>
</tr>
<tr>
<td></td>
<td>Employee Check Cashing Procedures</td>
</tr>
<tr>
<td></td>
<td>Check Cashing Procedures</td>
</tr>
<tr>
<td></td>
<td>Official City Receipts</td>
</tr>
<tr>
<td></td>
<td>Deposit of Funds With City Treasurer &amp; Sample Receipt</td>
</tr>
<tr>
<td></td>
<td>Purchase of Collector Coin &amp; Currency</td>
</tr>
<tr>
<td>PART 4: MISCELLANEOUS PROCEDURAL GUIDELINES</td>
<td>PAGE</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>20  Petty Cash Funds</td>
<td>46</td>
</tr>
<tr>
<td>21  Payments Received in the mail</td>
<td>47</td>
</tr>
<tr>
<td>22  NSF Checks</td>
<td>49</td>
</tr>
<tr>
<td>23  Non-City Money &amp; Contributions</td>
<td>50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PART 5: CONTROL FUNCTIONS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>24  Bank Accounts separate from City Treasurer</td>
<td>51</td>
</tr>
<tr>
<td>25  Reconciliation of Bank Accounts</td>
<td>51</td>
</tr>
<tr>
<td>26  Accounting &amp; Physical Control over Cash, Receipt Forms</td>
<td>51</td>
</tr>
<tr>
<td>27  Reporting of Losses</td>
<td>54</td>
</tr>
<tr>
<td>28  Temporary Employees</td>
<td>54</td>
</tr>
<tr>
<td>29  How to Handle Damaged Currency</td>
<td>55</td>
</tr>
<tr>
<td>30  Detecting Counterfeit Currency</td>
<td>55</td>
</tr>
<tr>
<td>31  Safeguarding Assets in Emergency Situations</td>
<td>57</td>
</tr>
<tr>
<td>32  Robbery</td>
<td>57</td>
</tr>
</tbody>
</table>

| APPENDIX A COMMON CASH HANDLING ERRORS      | 58   |
| APPENDIX B TRANSPOSITION/DIFFERENCE CHART   | 59   |
| GLOSSARY                                   | 60   |
LIST OF SUBSTANTIVE CHANGES AND ADDITIONS
Cash Handler Policy and Procedures Manual

This edition of the City of Spokane Cash Handler Policy and Procedures Manual has been updated to incorporate new information, changes in Spokane Municipal Code (Code) references, and much miscellaneous editing. Most pages have had some minor editing changes. In addition, the manual has been reorganized. Therefore, removing superceded pages/sections is not practical. Printing the whole document is recommended if a printed copy is used as a reference.

<table>
<thead>
<tr>
<th>Old Section</th>
<th>New Section</th>
<th>Description of Change/Addition</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>2</td>
<td>Assigned examiners include City Auditor</td>
</tr>
<tr>
<td>6</td>
<td>6</td>
<td>Assigned examiners include City Auditor</td>
</tr>
<tr>
<td>7</td>
<td>7</td>
<td>Up-dated currency and coin information</td>
</tr>
<tr>
<td>10</td>
<td>7</td>
<td>Sacagawea dollar information</td>
</tr>
<tr>
<td>7</td>
<td>7</td>
<td>Up-dated currency/ counterfeit information</td>
</tr>
<tr>
<td>15</td>
<td>13</td>
<td>Over/short reporting includes to City Auditor</td>
</tr>
<tr>
<td>*</td>
<td>7</td>
<td>Canadian Currency</td>
</tr>
<tr>
<td>*</td>
<td>7</td>
<td>Updated US Cash Information with Visual Aid</td>
</tr>
<tr>
<td>17</td>
<td>17</td>
<td>Updated Treasury Receipt Information</td>
</tr>
<tr>
<td>*</td>
<td>17</td>
<td>Treasurers Receipt Administrative Document 0860-05-01</td>
</tr>
<tr>
<td>20</td>
<td>26</td>
<td>Surprise cash counters include City Auditor</td>
</tr>
<tr>
<td>21</td>
<td>17</td>
<td>New Treasurers Receipt</td>
</tr>
<tr>
<td>21</td>
<td>17</td>
<td>Up-dated Departmental Receipt information</td>
</tr>
<tr>
<td>22</td>
<td>18</td>
<td>New reference to internal courier service</td>
</tr>
<tr>
<td>26</td>
<td>22</td>
<td>New NSF policy/procedures</td>
</tr>
<tr>
<td>28</td>
<td>7</td>
<td>Up-dated reporting of losses</td>
</tr>
<tr>
<td>*</td>
<td>7</td>
<td>New credit card information</td>
</tr>
</tbody>
</table>
PART 1: AN INTRODUCTION TO CASH HANDLING

1. INTRODUCTION

The City of Spokane Treasury Services Department is responsible for receiving, safekeeping, and disbursing all moneys belonging to the City in any capacity; however most City employees who handle cash do not work in the Treasury Services Department.

In recognition of increased accountability and internal control needs within the various cash handling operations, the Treasury Services Department has developed a Cash Handler Policy and Procedures Manual in keeping with recommended practices of the Municipal Treasurer’s Association of the United States and Canada. Continuing toward the goal of increased customer service and performance standardization, the Finance Division has established a training program, which will serve to educate Cash Handlers on the policies, and procedures set forth in the Manual.

2. AUTHORITY

Authority in City Treasurer

Washington State Constitution Article XI, section 15 states: All moneys, assessments and taxes belonging to or collected for the use of any county, city, town or other public or municipal corporation, coming into the hands of any officer thereof, shall immediately be deposited with the treasurer, or other legal depositary to the credit of such city, town, or other corporation respectively, for the benefit of the funds to which they belong.

Spokane Municipal Code section 03.01.440 assigns responsibility to the City Treasurer for receiving, investing, safekeeping, and accounting for cash of the City, and for accepting and paying City warrants. Policy ADMIN 0410-05-02 defines “City cash” as currency, coins, checks, drafts, credit and debit card payments, other electronic payment media and other negotiable instruments payable in money to the City.

1. Spokane Municipal Code section 3.01.410 states The Chief Financial Officer supervises the heads of the departments of Accounting, Management and Budget, Treasury Services and Risk Management. The Chief Financial Officer ... is responsible for establishing and maintaining sound fiscal management practices throughout the City.

Cash Handlers Manual

Under policy ADMIN 0410-05-02, the Chief Financial Officer shall promulgate a Cash Handler manual that will provide for the following items:

1. Receipt, handling and deposit into treasury by City employees;
2. Documentation of transactions;
3. Regular reporting to the City Treasurer;
4. Certification and decertification of City employees authorized to receive or handle City moneys;
5. Inspection of departmental cash records;
6. Inspection of departmental cash-handling practices and procedures; and
7. Contracting with agents to collect city cash and their collection procedures.

The City Clerk will keep a current copy of the Cash Handler Manual. A copy will also be stored on the City's Intranet.

Duties of Employees

Any City employee who receives City cash shall:

1. Unless otherwise authorized, within 24 hours deliver it to the City Treasurer or deposit it with an approved City depository.
2. Comply with rules in the Cash Handler manual, and with the internal procedures of the particular department, for handling, processing and documenting the city cash and for dissemination of the records.
3. Notify his or her supervisor of any suspected loss or theft of City cash immediately upon discovery and in writing within 24 hours.

Training

1. At least annually, the Finance Division will conduct a course of instruction or training on the secure processing of money and the Cash Handlers Manual. Appropriate departmental personnel will provide training on departmental rules.
2. All employees who receive and handle City cash on a regular basis in the scope and course of their employment should complete this training within one year of establishment of this training course or within one year of employment.
3. Each department is expected to provide interim training on rules, procedures, and controls before any new employee is allowed to be a Cash Handler.

Duties of Department Heads

The head of each department or office which, will receive City moneys on a regular basis in the course of its activities, will;

1. Assign the task of receiving of City cash to those persons only who have been trained in the functions,
2. Collaborate with the Finance Department to establish and maintain a system of procedures, documentation and reporting on the handling of receipts and the deposit of money,
3. Notify the Chief Financial Officer and the City Treasurer verbally (immediately) of any loss or theft of City cash, follow the verbal report with a formal written report to the Chief Financial Officer, the City Auditor and the City Treasurer within twenty four (24) hours in accordance with the Cash Handlers Manual,
4. Allow assigned examiners from the office of the State Auditor, City Auditor, the Chief Financial Officer and any designee to make on-site inspections to observe the processing of City cash and inspect collection records.
5. Provide interim cash-handling training between sessions of the Finance Division, and
6. Provide additional procedures to supplement, but not in conflict with, the Cash Handlers Manual.
Liability for Loss

As between a department and the City Treasurer, the department has primary responsibility for care, and liability for the loss, of City cash in its custody until the cash is deposited in the treasury, deposited in an after-hours drop box of the City’s financial institution, or delivered to an armored-car service making collection for the City. Written approval from the City Treasurer is required for the establishment of an account with any financial institution. Compliance with the Cash Handlers Manual gives rise to a presumption that due care was exercised.

Enforcement

Enforcement of the rules and regulations by the Chief Financial Officer may include the following:
1. On-site inspections.
2. Restricting the authority to handle cash of anyone who fails to comply,
3. In the event of noncompliance by a department, by requiring daily deposit by the department directly to the office of the City Treasurer.
3. FEDERAL REGULATIONS

Whenever there have been economic crises in the U.S., confidence in the banking industry has suffered. Some of these economic disasters have included such events as runs on banks, inflation, money panics and the severe depression of the 1930's. In order to restore the public's trust in the banking industry, Congress enacted legislation to minimize further economic crises and to stabilize the American economy. This legislation has established the rules under which Cash Handlers must operate, including regulation of check processing, currency acceptance, and electronic payment mechanisms. The Cash Handler certification training embodies these legislative regulations.

The Federal Reserve Act of 1913 created the Federal Reserve System in 1913 to remedy the problems that characterized early America's bank environment, economy, and money system. The Federal Reserve System of the United States is the central bank; it controls all currency and demand deposit exchanges between banks in the United States. The system also regulates the supply of money and the issuance of paper money. The Federal Reserve System (The "Fed") consists of a seven-person Board of Governors (Presidential appointments to 14-year terms), 12 Federal Reserve district banks, 25 branch banks, 47 Regional Check Processing Centers, member commercial banks, and a Federal Open Market Committee. Three major functions of the Fed that affect day-to-day operations of the City's treasury function include check clearing, oversight of the nation's payment processing systems (including wire transfers) and operating the nation's main automated clearinghouse system. The Fed controls the nation's money supply through control of reserve requirements on member banks; control of the discount rate and through open market activities. The City of Spokane is in Federal Reserve District # 12, a portion of the Federal Reserve Bank of San Francisco.

Commercial banks are unique because they exist as private profit-seeking institutions that possess the power to "generate" money through earnings in demand deposits and by the provision of loans. The demand deposits (checking accounts) offered by banks are a major component of the nation's money supply. Money held in these accounts is a major source of the nation's new money. This is one reason the government regulates banks so heavily. The effects of banks' money-creating activities multiply throughout the economy. Unregulated banking activities would create an environment of economic uncertainty.

4. CUSTODIAL RESPONSIBILITY & LIABILITY
A custodian is personally responsible for all City money within his or her span of control and may be held liable for any loss occurring, unless the loss was caused by an act of God, a theft, or other reason beyond the control of the custodian.

1) All City Cash Handlers shall comply with their departmental policy and procedures, and the City Cash Handler Policy and Procedures Manual. All Cash Handlers who fail to comply with their departmental and City policies and procedures may be subject to disciplinary action.

2) All Cash Handlers who obtain custody of City money will be liable for the loss of that money until the money is deposited with one of the City Treasurer’s authorized agents.

3) All Cash Handlers are to be bondable. The Risk Management Department contracts every year for a Blanket Faithful Performance Bond. The bond provides coverage for the loss of money, property or securities due to an employee’s failure to perform the duties of the job.

4) All transfers of custody of City money shall be evidenced by a document indicating the transfer of custody. This documentation shall acknowledge the exchange of custody of City money by the signatures of the person transferring and the person accepting custody.

5) A Cash Handler may use a written receipt to document that he/she exercised due care by immediately turning over custody of City money to a departmental cashier.

6) A departmental cashier who issues a written receipt accepting custody of City money is liable for the timely deposit of that money. The liability for timely deposit starts with the original receipt of City money by a City officer, employee, or agent and ends when the City money is deposited with the City Treasurer or the bank.

7) A deposit of City money to an approved after-hours drop box with an approved bank is considered a deposit with the City Treasurer. To use this procedure an agreement must be signed between the bank receiving the deposit and the City Treasurer prior to the deposit. These receipts need to be booked per policy. (Please see Official City Receipt, Section 17.)
5. CASH HANDLER TRAINING

1) All City employees involved with handling, receiving, reconciling or depositing of money shall attend an appropriate training program as designed by the Finance Division. The Finance Division shall maintain attendance records and issue Certificates of Completion. A Cash Handler unable to attend the training program shall familiarize themselves with the City Cash Handlers Policy and Procedures Manual and be approved for cash handling by the Department Head or his/her designee.

2) Upon hire, any employee determined to have cash handling duties or responsibility shall complete Cash Handler training through the Finance Division, if available, or receive Cash Handler training from an experienced Cash Handler approved by the Finance Division.

3) Departments with Cash Handlers should also have a key person attend the training who would then train new employees in their department.

4) Temporary Seasonal employees should not work as Cash Handlers. However, there can be exceptions established by Departmental Policy. In the case of such exceptions, Temporary Seasonal employees should be knowledgeable about cash handling practices. It shall be the responsibility of the respective department to provide cash handling training to the temporary employee. (Please see Section 28 Temporary Employees.)

6. CASH HANDLER COMPLIANCE

1. Department heads shall allow the City Treasurer, the Chief Financial Officer, the Internal Auditor, the City Auditor, or an auditor from the Washington State Auditor’s Office to periodically inspect and report on the department’s cash handling procedures.

2. The Auditor or Treasurer’s report of inspection will indicate whether the department’s system of cash handling procedures is satisfactory. The report will also specify any deficiencies.

3. Department heads are to designate a departmental cashier per physical location to be responsible for setting up procedures and doing training when necessary. (Exceptions to this may be allowed in situations such as Aquatics, which could be treated as one location. Riverfront Park could also be treated as one location.) This person shall also be responsible for transmittal of funds and deposits to the City Treasurer’s Office. In addition, departments with multiple locations shall designate a “contact person” who will be responsible for coordination of department transactions.
PART 2: MONEY RECEIVED BY THE CITY

7. CURRENCY, COIN, CHECKS, CREDIT AND DEBIT CARDS

A) The Federal Reserve Bank of the United States has the responsibility for issuing currency for the United States. United States currency takes the form of notes engraved on special paper and comes in seven denominations, each bearing the portrait of a different famous American. These are as follows:

List of United States Currency:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Portrait</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1</td>
<td>George Washington</td>
</tr>
<tr>
<td>$2</td>
<td>Thomas Jefferson</td>
</tr>
<tr>
<td>$5</td>
<td>Abraham Lincoln</td>
</tr>
<tr>
<td>$10</td>
<td>Alexander Hamilton</td>
</tr>
<tr>
<td>$20</td>
<td>Andrew Jackson</td>
</tr>
</tbody>
</table>
Bills with a denomination over $100 exist but are no longer in circulation.

The face of the bill contains key elements:

- Denomination,
- Federal Reserve Bank seal,
- Serial number
- Treasury Department seal.

If you look at the $1 bill, you will notice the following parts:

- The value amount of each bill is numerically posted on all four corners on both sides.
- The value is written out across the bottom of the face side.
- The Federal Reserve seal appears to the left of the portrait. The Treasury seal appears to the right of the portrait, embossed over the written dollar amount.
- Currency paper consists of 25% linen and 75% cotton and contains small randomly disbursed red and blue fibers embedded throughout the paper.
The 1996, 1999, 2001 and 2003 series Federal Reserve Notes (FRNs) have an enlarged and off-center portrait enclosed in an oval frame of concentric lines. The 2004 series FRNs have an enlarged and off-center portrait without a frame.

Position of Important Features

1. Type of Note
2. Portrait
3. Microprinting
4. Fine-Line Printing Pattern
5. Serial Number
6. Check Letter and Quadrant Number
7. Federal Reserve Seal
8. Inscribed Security Thread
9. Federal Reserve Letter/Number
10. Series
11. Treasury Seal
12. Check Letter and Face Plate Number
13. Back Plate Number
14. Watermark
15. Color Shifting Ink

$20 Front (1990-1995 Series)
About the New $20 Notes

A safer, smarter and more secure $20 note began circulating October 9, 2003, as part of the U.S. government's ongoing effort to stay ahead of counterfeiting and maintain worldwide confidence and trust in U.S. currency. The redesigned $20 note was the first in the Series 2004 currency designs, which include enhanced security features and subtle background colors.

The Series 2004 notes remain the same size and use the same, but enhanced, portraits and historical images, and above all, the world will continue to recognize the new money as quintessentially American.

A comprehensive public education program, which was launched with the introduction of the new $20 note, continues through the introduction of other denominations. These efforts focus on communicating key security and design features of the new designs so that the public will recognize the new currency and check it to ensure it is genuine.

Security Features

The new $20 notes are safer, smarter and more secure: safer because they are harder to fake and easier to check; smarter to stay ahead of tech-savvy counterfeiters; more secure to protect the integrity of U.S. currency. Because these features are difficult for counterfeiters to reproduce well, they often do not try, hoping that cash-handlers and the public will not check their money.

Color-Shifting Ink: Look at the number "20" in the lower right corner on the face of the note. When you tilt the note up and down, the color-shifting ink changes from copper to green. The color shift is more dramatic in the newly designed notes making it even easier for people to check their money.

Watermark: Hold the note up to the light and look for the watermark, or faint image, similar to the large portrait. The watermark is part of the paper itself and it can be seen from both sides of the note.

Security Thread: Hold the note up to the light and look for the security thread, or plastic strip, that is embedded in the paper and runs vertically up one side of the note. If you look closely, the words "USA TWENTY" and a small flag are visible along the thread from both sides of the note. The security thread also glows green under ultraviolet light.

Design Features

To stay ahead of currency counterfeiters, the U.S. will be introducing new currency designs every seven to ten years. Will many of these design updates not only add complexity to the note and make counterfeiting more difficult, other features will help the public, particularly those who are visually impaired, to tell denominations apart.

Symbols of Freedom: Appearing on the face of the note are two American eagle "symbols of freedom." The large blue eagle in the background to the left of President Andrew Jackson's portrait is representative of those drawn and sculpted during his time period. The smaller green metallic eagle to the lower right of the portrait is a more contemporary illustration, using the same "raised ink" intaglio process as the portrait, numerals and engravings. The symbols of freedom will differ for each denomination.
**Color:** The most noticeable difference in the newly designed $20 note is the addition of subtle background colors of green, peach and blue to both sides of the note. This marked the first time in modern American history that U.S. cash included colors other than black and green. The words "TWENTY USA" are printed in blue in the background to the right of the portrait and small yellow numeral 20s are printed in the background on the back of the note. Different background colors will be used for the different denominations. This will help everyone to tell denominations apart.

**Updated Portrait and Vignette:** The oval borders and fine lines surrounding the portrait on the face and the White House vignette on the back of the note are removed. The portrait is moved up and shoulders are extended into the border. Additional engraving details were added to the vignette background.

**Microprinting:** Because they are so small, microprinted words are hard to replicate. The redesigned $20 note features microprinting on the face of the note in two new areas: bordering the first three letters of the "TWENTY USA" ribbon to the right of the portrait, the inscription "USA20" is printed in blue. And "THE UNITED STATES OF AMERICA 20 USA 20" appears in black on the border below the Treasurer's signature.

**Low-Vision Feature:** The large numeral "20" in the lower right corner on the back of the note is easy to read.

**Federal Reserve Indicators:** A universal seal to the left of the portrait represents the entire Federal Reserve System. A letter and number beneath the left serial number identifies the issuing Federal Reserve Bank.

**Serial Numbers:** The unique combination of eleven numbers and letters appears twice on the face of the note.
1) Common Traits of United States Currency

1 Watermark - The 1996, 1999, 2001, 2003 and 2004 series FRNs have a watermark (a faint image similar to the portrait), that is visible from either side when held up to a light source.

2 Color-Shifting Ink - the 1996, 1999, 2001 and 2003 series FRNs have color-shifting ink in the lower right-hand corner that shifts from green to black, as the note is tilted 45 degrees. The 2004 series $20 and $50 FRNs have color-shifting ink that shifts from copper to green as the note is tilted 45 degrees. The $5 FRN does not have color-shifting ink.

3 Security Thread - Genuine FRNs have a clear polyester thread embedded vertically in the paper. The thread is inscribed with the denomination of the note, and is visible only when held up to light. Each denomination has a unique thread position and will glow a unique color in ultraviolet (UV) light.

4 Serial Numbers - The first letter of the serial number on 1996, 1999, 2001, 2003 and 2004 series FRNs matches the series year. All 1996 series notes begin with the letter A; 1999 series, the letter B; 2001 series, the letter C; 2003 series, the letter D; 2004 series, the letter E.

Bank Indicators

5 Federal Reserve Indicators – the 1996, 1999, 2001, 2003 and 2004 series FRNs have a letter-number combination, which identifies one of the 12 issuing Federal Reserve Banks. This letter-number combination appears beneath the serial number on the left. The number corresponds to the position of the letter in the alphabet, e.g., A1, B2, C3, etc. The second letter of the serial number is the same as the letter in the letter-number combination.

Check Letter/Quadrant Number

6 Face Plate Number

7 Series Year

8 Back Plate Number (Not shown) Found on the reverse right hand side of the note.
The Canadian Journey series of bank notes is designed to celebrate Canada's history, culture, and achievements.

In 2001, the Bank introduced the new $10 note from the Canadian Journey series, followed by the $5 note in 2002. The Bank issued the new $100 bill in March, the $20 note in September, and the $50 note in November of 2004. As part of its ongoing efforts to improve the security of Canadian bank notes, the Bank of Canada issued a $10 note with upgraded security features on May 18, 2005.

Notes in the new series are distinguished by new and enhanced security features to help fight counterfeiting and a tactile feature to help the blind and visually impaired identify the different denominations.

The new notes are the same size and retain the same dominant colors as previous bank note series. The Queen and the prime ministers shown on the new series are depicted on the same denominations. However, new portraits were engraved for both security and aesthetic purposes.
C) ROLLED COIN; Value and Physical Composition

If a customer pays with rolled coins, be sure to have them put their name, address, and daytime telephone number on the outside. There are six kinds of U.S. coins currently circulated. They are as follows:

$ .01 Penny  Bronze (Copper/Zinc)
Lincoln Memorial Penny / Cent

Years of Production: 1959 to present  
Composition: Copper, tin and zinc  
Minted at: Lincoln Memorial pennies were struck at the Philadelphia Mint, Denver Mint and San Francisco Mint  
Location of Mint Mark: Obverse side, below date  
Designer: The Lincoln Memorial penny's obverse was designed by Victor D. Brenner, the reverse by Frank Gasparro.  
Comments: Lincoln Memorial pennies (cents) are named for the monument, which replaced the ears of wheat formerly displayed on the reverse side of the coin. Click coins at right to view obverse and reverse coin detail.

$ .05 Nickel  Nickel and Copper
Jefferson Nickel

Years of Production: 1938 to present  
Composition: Copper and nickel  
Minted at: Jefferson nickels were struck at the Philadelphia Mint, Denver Mint and San Francisco Mint.  
Location of Mint Mark: Reverse side, right, between Monticello and rim.  
Designer: The Jefferson nickel was designed by Felix Schlag.  
Comments: The Jefferson Nickel was struck in silver during World War II to free up nickel for war production. Click coins at right to view obverse and reverse coin detail.

$ .10 Dime  Copper/Nickel alloy
Roosevelt Dime

Years of Production: 1946 to present  
Composition: Silver and copper through 1964 / clad 1965 forward  
Minted at: Roosevelt dimes were struck at the Philadelphia Mint, Denver Mint and San Francisco Mint.
Location of Mint Mark: Reverse side, bottom, slightly left of torch through 1967 / Obverse side, right, below Roosevelt 1968 forward.

Designer: The Roosevelt dime was designed by John R. Sinnock.

Comments: Roosevelt dimes were designed as a tribute to Franklin D. Roosevelt. FDR died in 1945. Click coins at right to view obverse and reverse coin detail.

$ .25 Quarter Copper/Nickel alloy

Washington Quarter

Years of Production: 1932 to present
Composition: Silver and copper through 1964 / clad 1965 forward
Minted at: Washington quarters were struck at the Philadelphia Mint, Denver Mint and the San Francisco Mint.
Location of Mint Mark: Reverse side, below eagle through 1967 / Obverse side, below ribbon 1968 forward.
Designer: The Washington quarter was designed by John Flanagan.
Comments: Production of the Standing Liberty quarter ended in 1930 with Washington quarter production beginning in 1932. Therefore, there are no 1931 quarters of either type. Click coins at right to view obverse and reverse coin detail.

$ .50 Half Dollar Copper/Nickel alloy

Kennedy Half Dollar

Years of Production: 1964 to present
Composition: Silver and copper (1964 only) / silver clad / clad (1970 forward)
Minted at: Kennedy half dollars were struck at the Philadelphia Mint, Denver Mint and San Francisco Mint.
Location of Mint Mark: 1964-67: Reverse side, bottom left of eagle. 1968 forward: obverse below Kennedy bust
Designer: The Kennedy half dollar obverse was designed by Gilroy Roberts, reverse by Frank Gasparro.
Comments: 1964 Kennedy half dollars were struck on 90% silver, 1965-1970 on 40% silver and then on clad planchettes. Click coins at right to view obverse and reverse coin detail.

$1.00 Dollar - Eisenhower Copper/Nickel alloy

Eisenhower Dollar

Years of Production: 1971 through 1978
Composition: Copper-nickel clad or silver clad
Minted at: Eisenhower dollars were struck at the Philadelphia Mint, Denver Mint and the San Francisco Mint.
Location of Mint Mark: Obverse side, below Eisenhower
bust.  
**Designer:** The Eisenhower dollar was designed by Frank Gasparro.  
**Comments:** Eisenhower dollars were the last dollar coin produced in the traditionally large dollar coin size. Some Eisenhower dollars struck specifically for collectors included a percentage of silver in their composition. *Click coins at right to view coin detail.*

$1.00  
**Dollar - Susan B. Anthony**  
Copper/Nickel alloy

$1.00  
**Dollar – Sacagawea** (“Golden”)
Coin wrappers have established values printed on wrappers.

**Note:** Silver dollars might be received; however, they are not commonly circulated.

### Number of Coins

<table>
<thead>
<tr>
<th>Coin</th>
<th>per Wrapper</th>
<th>Value of Wrapper</th>
</tr>
</thead>
<tbody>
<tr>
<td>$.01</td>
<td>50</td>
<td>$.50</td>
</tr>
<tr>
<td>$.05</td>
<td>40</td>
<td>$2.00</td>
</tr>
<tr>
<td>$.10</td>
<td>50</td>
<td>$5.00</td>
</tr>
<tr>
<td>$.25</td>
<td>40</td>
<td>$10.00</td>
</tr>
<tr>
<td>$.50</td>
<td>10</td>
<td>$5.00</td>
</tr>
<tr>
<td>$1.00 (Eisenhower)</td>
<td>20</td>
<td>$20.00</td>
</tr>
<tr>
<td>$1.00 (Susan B. Anthony)</td>
<td>25</td>
<td>$25.00</td>
</tr>
<tr>
<td>$1.00 (Sacagawea)</td>
<td>25</td>
<td>$25.00</td>
</tr>
</tbody>
</table>

### D) Check Recognition

A check is issued to transfer funds from one party to another. The term “negotiable instrument” means the check is payable to a person when presented at its signer's bank.

The drawer or maker is the party issuing and signing the check. The drawer may be one or more individuals acting on their own behalf, or the drawer may be one or more individuals authorized to act on behalf of a company, corporation, partnership or municipality. The drawee is the party on whom the check is drawn; usually the drawee is a bank or trust company.

The payee is the party to whom payment is made. The check can be payable to one or more individuals, to a business, corporation, partnership, municipality, or government agency. Customers should be asked to issue checks to the “City of Spokane” or the City Treasurer” as the payee.

### Personal Checks

Personal checks are the most common type of check. Personal checks belong to people who maintain demand account balances at banks. If a customer is making a payment by check to the City of Spokane, there cannot be cash back. (Cash back for a check transaction would constitute a loan of City funds.) Golf Professionals who manage City of Spokane Golf Courses, however, have a unique relationship with the City. Departmental Policy may stipulate circumstances in which these Golf Professionals may give cash back for a check.

No foreign checks should be accepted, unless the words “U.S. funds” appear on the check. Exception: Departmental policy may include acceptance of foreign checks if the amount of discount is included in the check.

Please see: Employee Check Cashing, Section 15.
Company Checks
Company checks may appear similar to personal checks. Company checks may also have stubs or copies attached. The same rules that apply to accepting personal checks apply to accepting company checks. However, notice if there needs to be multiple signatures on the check, or if the check says, “not valid over $.”

Cashier’s Checks
This is a check drawn by a financial institution on its own funds. Since only the failure of the bank would cause the financial institution not to honor such checks, they are usually accepted readily. Caution should still be exercised, as fraudulent cashier’s checks can be produced. As with a personal or company check, no cash should be given back as change for a cashier’s check.

Personal Money Orders
A personal money order is a check purchased by a customer from a vendor for currency or against bank balances. When issued, it shows a drawee bank and an amount. The purchaser fills in the date, the payer, and the payee’s name and address. Financial institutions usually restrict the maximum amount for which they will issue a money order. This amount is usually printed on the face of the money order. The words, “Not to Exceed $XXX...” may be printed on the money order. If the amount of the money order surpasses the “NOT TO EXCEED” amount, you should not accept it. A foreign money order should not be accepted unless the words “U.S. Funds” appear. Cash should not be given back as change for a money order.

Money orders are accepted almost as readily as currency, but caution should be exercised, as fraudulent money orders can be produced and the accounts on which the money orders are drawn can be insufficient.

Traveler’s Checks
These checks are designed for use by persons on business or vacation trips but are also used in other situations. They are signed on the face of the check when purchased and countersigned when cashed, either on the face or on the back. When using a Traveler’s check at a City facility, the customer must countersign and write in the payee in the presence of the cashier. Traveler’s checks should be stamped with the endorsement and placed with other checks.

The City of Spokane does not accept traveler’s checks drawn on foreign currency. Departmental Policy, however, may establish an exception and accept Canadian traveler’s checks if the amount of discount is included in the payment. A department that accepts Canadian traveler’s checks shall be responsible for proper accounting of the exchange rate.

Traveler’s checks should be treated like other checks in that no cash may be given back as change. Departmental policy may allow an exception and allow cash to be given back as change when there are valid business reasons for doing so. If cash is given as change, the check/cash composition needs to be maintained by appropriate adjustments on closing and deposit documents. Appropriate adjustments must be documented by the cash receipting system.
E) CREDIT AND DEBIT CARDS

The following steps are to be used when receiving payment in person with a credit card:

1. Verify that the card is actually a VISA, Master Charge, or Discover card.
2. Check that the expiration date of the card has not expired.
3. Ask for picture I.D. and compare name on I.D. to name on card, as well as verify that the picture belongs to the person offering the card.
4. Follow Departmental Policy regarding credit card security code located on back of card.
5. Keep the card until the customer signs the charge slip and compare the signature on the card with the signature on the slip.
6. Place charge slip out of sight and away from the general public in a secure place.
7. **Charge card credits should be allowed only when written Departmental Policy allows them.** If charge card credits are allowed via Departmental Policy, strong controls should be in place. An example would be a requirement for two approval signatures before credits are recorded.

The following steps are to be used when receiving payment over the telephone with a credit or debit card:

1. Ask for the customer’s card number, what type of card it is (VISA, etc.), the expiration date, and the security code from the back of the card.
2. Ask the customer to repeat any numbers that were not clear to you.
3. Place charge slip and any other paperwork with the charge card number out of sight away from the general public in a secure place.
4. **Charge card credits should be allowed only when written Departmental Policy allows them.** If charge card credits are allowed via Departmental Policy, strong controls should be in place. An example would be a requirement for two approval signatures before credits are recorded.

The following steps apply to in-person and phone transactions:

1. If the credit card number is recorded on any computer database, be sure MIS has the appropriate firewalls in place so the information is not available to computer hackers.
2. **All credit card receipts should be secured in a locked cabinet.**
3. **Aged Credit card receipts should be stored in a locked offsite facility.**
PART 3: CASHIER PROCEDURAL GUIDELINES

8. RECEIVING MONEY FROM A CUSTOMER

Receiving Currency and Coins

The following are the steps to be used when receiving currency and coins from a customer:

*Always* keep received money in full view of the customer.

*Always* complete transaction before placing money in cash drawer.

1. Separate the currency from the coins.
2. Count the currency before the coins.
3. Count each currency denomination separately.
4. Separate coins into denominations.
5. Count each coin denomination separately.
6. Count all currency and coin in the presence of the customer.
7. Verify the grand total against the amount listed on the receipt.
8. If any discrepancies exist between your total and the customer’s total, count the money again. If a discrepancy still exists, you may allow the customer to count another time, or, you may ask your supervisor to count the money.
9. Put away all currency and coins from the last transaction before starting a new transaction.

Mutilated Money

If a bill is partially destroyed and more than half of the original note clearly remains, it may be accepted.

*Mutilated coins that are bent, broken or damaged, as well as Canadian and other foreign coins should not be accepted.*

9. CASH RECEIVING DUTIES
A. Opening Activity

1) Each Cash Handler shall sign a receipt acknowledging responsibility for any required change funds. Verify the dollar amount of beginning cash by counting it.

2) All Cash Handlers shall be responsible for, and have custody of, their own individual cash drawer.

3) Cash Handlers should set up their individual cash drawers in a consistent manner. All bills should be face up in the same direction. In most instances, the smallest denominations are located closer to where you position yourself. The larger denominations are farther away. This setup helps prevent the accidental distribution of incorrect denominations. Checks, money orders, credit card slips, $2, $50, and $100 dollar bills should be placed under the money tray.

B. Receiving, Handling Payments

1) When accepting currency, count each bill by looking at the faces on the currency, not just the denominations on the corners. (Please see Recognizing Currency and Coin, Section 7.)

2) Cash Handlers shall always complete a transaction in its entirety before proceeding to another transaction or offering assistance to another customer.

3) During the day, when your cash tray or drawer begins to get full and when time allows, paper clip or rubber band excess currency. Large sums of money should be removed periodically and secured elsewhere, if possible. This is a safety precaution in case of a robbery. (Please see Strapping and Bundling Currency, Section 11.)

4) Lock all monies in a secure location except when in use.

5) Never leave the cash drawer unattended.

6) Never let anyone touch the drawer, except under direct supervision of the Cash Handler.

7) Cash Handlers shall accept checks only for the amount of purchase or payment.

The cash operation in which you work should have a permanent collection record, such as a cash register tape, that records all transactions including voids, refunds and cancels. Your department should retain this permanent record collection for 3 years. Contact the City's Record Officer (i.e., City Clerk) with any questions regarding records retention. Some records require a longer retention period.

City Cash Handlers shall record all corrections of previously recorded transactions, such as refunds, voids, and cancels in a permanent daily collection journal. Some departments may have permanent documentation in a form other than a journal. Any correction shall be reported to the supervisor. The Cash Handler and the supervisor shall each initial and date the correction in the daily journal or the other permanent documentation.

A receipt must be generated for all money immediately upon acceptance. It is important to verify that all items listed are received. For example if a group of checks has a calculator tape attached
listing them, verify the accuracy and completeness. All funds and receipts must be placed in a lockable drawer, cash register, or safe. The drawer must always be secure when no one is present in the cashiering area.

City money must be deposited in the bank or with the City Treasurer within twenty-four (24) hours. RCW 43.09.240 states: Every public officer and employee, whose duty it is to collect or receive payments due or for the use of the public shall deposit such moneys collected or received by him or her with the treasurer of the local government once every twenty-four consecutive hours. The treasurer may in his or her discretion grant an exception where such daily transfers would not be administratively practical or feasible.

Funds collected on a weekend or holiday may be deposited in the night deposit at a bank previously approved by the City Treasurer. The money must also be booked as soon as possible with the Treasury Services Department using a Treasurer's Receipt.

C. Cancel of Accounting Record

A cancel occurs after the collection transaction is completed. A collection transaction is completed when the collected money or credit card slip is secured, the transaction is recorded, and a receipt is issued to a payee. A cancel reverses a previously completed transaction and requires a refund to return collected money to the customer. The customer will be required to present the original receipt (or other acceptable proof of payment) issued to them, and sign and date the receipt or the official refund form, to acknowledge the cancellation. In some cases, a customer will receive a ticket or “pass” in lieu of a receipt. In these situations, the ticket or “pass” is acceptable proof of payment; it would be attached to an official refund form which the customer signs. The official refund form includes the name and address of the customer as well as an explanation of the transaction correction. This form provides the necessary documentation for the refund, and is part of the permanent record.

D. Refund of Money

A refund is given after the original collection transaction has been cancelled. A refund returns currency, coin, credit card slip, or the original check back to the payee. A refund is based on notification from a Department head or her/his designee. Department heads or their designees may authorize their officers and employees to make an immediate documented refund of collected City money that conforms to the following conditions:

1) Cash Handlers shall refund the original check to the payer who originally wrote the check only upon proof of identification.

2) Money deposited with the Treasury Services Department will be refunded by preparing a voucher and issuing a claims warrant.

In extraordinary circumstances, immediate cash refunds may be given without following the above procedures. For example, if an IMAX film could not be shown as scheduled due to a last minute mechanical failure, and reissue of a ticket for another show is unacceptable to the customer, immediate cash refund may be offered.

E. Voids
A void occurs during a collection transaction in which the cash collection drawer has not been closed and a receipt has not been issued. A void does not require a refund since the transaction is not completed.

10. COUNTING CURRENCY AND COINS

Counting Currency

To insure consistent accuracy, the following method should be used to count currency. This method ensures that no bill is double counted. You must always recount the money as many times as necessary to come up with the same total twice. This means you will always count a stack of currency at least two times. However, counting twice is not necessary if the first count agrees to documentation provided by the depositor.

The following steps should be taken when counting currency:

1. Separate bills into denominations with all the bills facing up.
2. If the pile contains more than one denomination, count the largest denomination first.
3. Place the pile in one hand.
4. Transfer one bill at a time from your hand to a table or other flat surface as you count it.
5. Check each bill, as you count to ensure correct denomination.
6. If your totals do not agree, repeat the count until they do agree.
7. Stack the pile in order with the highest denomination on the bottom and the smallest denomination on top, or leave bills in separate piles for each denomination.

One thing to be cautious about is the possibility that the corner of a bill of a larger denomination may be taped onto the corner of a bill of a smaller denomination.

When accepting money - always count money - even if it is strapped.

Counting Coins

As with counting currency, you need to establish a set routine for counting coins to insure your accuracy. Coins are stored in coin wrappers or rolls to ensure accurate handling. Each person counting and inserting the coins into wrappers should initial and date the wrappers. Machine counted and wrapped coins do not need to be initialed and dated. When you open a wrapper of coins, you should always empty the whole package into the coin drawer or coin machine.

11. STRAPPING and BUNDLING CURRENCY

- 28 - April 2006
Currency is strapped (paper value straps) or banded (held by rubber bands) to help Cash Handlers keep accurate counts. Most bills are strapped in quantities of 100 by banks. However, $50 and $100 bills are accepted. Banks usually strap $50 bills at 40 bills per strap and $100 bills at 20 bills per strap.

Each denomination is strapped with a color-coded or value-imprinted band by banks. Strapped currency is usually packaged by banks as follows:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Number of Bills</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$  1</td>
<td>100</td>
<td>$ 100</td>
</tr>
<tr>
<td>$  2</td>
<td>100</td>
<td>$ 200</td>
</tr>
<tr>
<td>$  5</td>
<td>100</td>
<td>$ 500</td>
</tr>
<tr>
<td>$ 10</td>
<td>100</td>
<td>$1000</td>
</tr>
<tr>
<td>$ 20</td>
<td>100</td>
<td>$2000</td>
</tr>
<tr>
<td>$ 50</td>
<td>20 or 40</td>
<td>$1000 or $2000</td>
</tr>
<tr>
<td>$100</td>
<td>10 or 20</td>
<td>$1000 or $2000</td>
</tr>
</tbody>
</table>

For ease of counting and handling, City Cash Handlers should bundle their currency within their drawers or cash boxes in smaller packs. For consistency throughout departments, City Cash Handlers should band their currency as follows:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Number of Bills</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$  1</td>
<td>25</td>
<td>$ 25</td>
</tr>
<tr>
<td>$  2</td>
<td>25</td>
<td>$ 50</td>
</tr>
<tr>
<td>$  5</td>
<td>20</td>
<td>$ 100</td>
</tr>
<tr>
<td>$ 10</td>
<td>25</td>
<td>$ 250</td>
</tr>
<tr>
<td>$ 20</td>
<td>25</td>
<td>$ 500</td>
</tr>
<tr>
<td>$ 50</td>
<td>20</td>
<td>$1000</td>
</tr>
<tr>
<td>$100</td>
<td>20</td>
<td>$2000</td>
</tr>
</tbody>
</table>

12. CLOSING ACTIVITY
1) Persons who collect City money from the public shall balance their cash drawer at the end of their work shift. Balancing may consist of counting collected monies, filling out a cash count document as stipulated by the employee’s department, and preparing a deposit slip. **All counting and/or balancing should occur out of public view in a location away from the collection area.**

2) Closing activity may also involve completing a Treasurer Receipt and depositing the money with the City Treasurer. (Please see Official City Receipt, Section 17.)

City money must be deposited in the bank or with the City Treasurer within twenty-four (24) hours. RCW 43.09.240 states: *Every public officer and employee, whose duty it is to collect or receive payments due or for the use of the public shall deposit such moneys collected or received by him or her with the treasurer of the local government once every twenty-four consecutive hours. The treasurer may in his or her discretion grant an exception where such daily transfers would not be administratively practical or feasible.*

Funds collected on a weekend or holiday may be deposited in the night deposit at a bank previously approved by the City Treasurer. The money must also be booked as soon as possible with the Treasury Services Department using a Treasurer's Receipt.

It may also be necessary to move ending cash to a safe or a vault. Where cash is concerned, maintaining accountability and integrity is of vital importance. When cash is counted at closing, it would be desirable to have another employee present. This person should check the deposit to the report. This dual control can protect the Cash Handler should City funds be subject to loss or shortage.

**Balancing Cash Drawer**

At the end of the shift, the Cash Handler needs to account for all increases and decreases of cash in the cash drawer. This process is referred to as “Balancing” - the accounting and documentation of all City funds received by the Cash Handler that day. All currency, coin, credit/debit card drafts, money orders, and checks are added. Then the permanent record is checked, if possible, for the total of transactions for that shift. Next, subtract the beginning cash and compare the total money with the total transactions, if available. These $2 amounts should be the same. While individual Cash Handlers have different methods for balancing cash drawers, there are several steps that all balancing processes should include:

1) Remove all money (currency, coin, credit/debit card drafts, money orders, and checks) from the cash drawer. Count currency, coin, and list by denomination on a daily cash count sheet. Cash should be counted as many times as it takes to get the same total twice.

2) List all checks, money orders, and credit/debit card drafts on either an adding machine tape or a bank deposit slip, and transfer the number of checks, money orders, and drafts, and the total dollar amount of checks, money orders, and drafts to a daily cash count sheet. (Checks should already have been restrictively endorsed, as discussed in Acceptance of Checks, Section 14.)

3) “Buy” from the remaining cash on hand to bring the change fund back to the preferred mix of currency denominations as determined by the Cash Handler’s department.
4) Insert the completed deposit slip into a designated deposit bag or envelope with the money to be deposited. Store it in a safe place until delivered to the Treasurer or the bank. If not deliverable to the Treasury Services Department until the next day, it must be secured in a safe place or a vault overnight.

City money must be deposited in the bank or with the City Treasurer within twenty-four (24) hours. (RCW 43.09.240) Exceptions are possible only with a written agreement with the City Treasurer. Funds collected on a weekend or holiday may be deposited in the night deposit at a bank previously approved by the City Treasurer. The money must also be booked as soon as possible with the Treasurer’s Office using a Treasurer’s Receipt.

**Locating Cash Differences**

Every reasonable effort should be made to locate any cash differences. Regardless of the amount of the overage/shortage, always do the following:

1) Recount loose coin and/or currency as appropriate, depending on the amount of the difference.
2) Recount wrapped coin and/or currency as appropriate, depending on the amount of the difference.
3) Check the beginning cash figure.

In addition to the above, Cash Handlers may wish to consider the following:

1) Rerun totals on receipts.
2) Recheck EFT deposits if included in the day’s business.
3) Scan the checklist tape for the difference.
4) Compare checks to the checklist. This is a two-person job, one reading, the other checking the tape.
5) Break down the deposit.
6) Check a difference chart to see if the error or difference could be a transposition of numbers. (Please see Appendix B.)

Do not dispose of trash in wastebaskets or recycling boxes until cash drawer is balanced. Place trash in vault overnight if necessary.

**Filling out Deposit Slips**

The Treasury Services Department suggests that Cash Handlers fill out at least two copies of the deposit slip in addition to the original. These copies should be distributed as follows:

⇒ The original deposit slip goes with the cash to the bank or to the Treasury Services Department. Send two copies to the bank if you wish to get a validated copy back from the bank.

One or more copies of the deposit slip are retained by the department for its internal records.
13. CASH OVER & SHORT POLICIES

1) All monies received are to be deposited intact and on a same day basis if possible. Intact means that total cash received must match total cash deposited and total checks received must match total checks deposited. If, upon balancing daily receipts, it is discovered that the money to be deposited does not equal the total of the receipts, a cash over/short situation exists.

2) A Cash Handler has a shortage when an unintentional collection error is made due to negligence, an act of God, or a theft. Leaving money unattended and not properly safeguarded is an example of a Cash Handler’s negligence that could result in a loss of City money.

3) A Cash Handler has an overage when too much money is collected and he/she cannot immediately return the excess to the customer.

If, after an appropriate search and recalculation, the over/short situation still exists, take the following steps:

a) Complete the Treasurer’s Receipt as documented by the receipts.

b) If a cash overage or shortage exists, the difference is booked to the department’s Over/Short Account, using an account number approved by the Accounting Department.

c) If the reason for an overage or shortage is resolved within two business days, and there is no question of possible impropriety, there may be no need for reporting the error beyond the Department Head. If an unresolved overage or shortage is in excess of $100, suspicious in nature, or if a trend of overages/shortages develops, the Department Head should report it to the Chief Financial Officer, the City Auditor, and the City Treasurer within one day of the date that an amount is questioned. The City Internal Auditor may be consulted, who reports it to the State Auditor’s Regional Audit Manager, if appropriate. (Please see Reporting of Losses Section 27.)

Department Heads may establish policies within their respective departments that include reporting overage or shortage amounts that are less than $100.

d) UNDER NO CIRCUMSTANCES SHALL AN EMPLOYEE TAKE OR SUPPLEMENT MONEY TO BE DEPOSITED IN ORDER TO FORCE THE DEPOSIT TO BALANCE WITH RECEIPTS.

e) UNDER NO CIRCUMSTANCES SHALL A CITY OFFICE OR DEPARTMENT MAINTAIN A “SLUSH FUND” OF MONEY IN ORDER TO ACCUMULATE OVERAGE AMOUNTS OR PAY SHORTAGE AMOUNTS.

14. ACCEPTANCE OF CHECKS

Use an endorsement stamp to restrictively endorse payment to the bank. The City Treasurer will provide endorsement stamps on request. Departments will be responsible for the cost of endorsement stamps.
1) When accepting checks over the counter, Cash Handlers should:

♦ Check the written amount and the numerical amount. They should be the same. If they do not agree, have the customer make the necessary change and initial it. State law says if there is a difference between the two, the written amount is the correct amount for legal purposes. RCW 62A.3-118. (b)

♦ Check for the name on the check of the person or company paying for goods or services. (Preferably pre-printed on the check. This is not required by the bank, but it may be required by departmental policy.)

♦ Be sure it is signed by the payer

♦ The name of the bank on which the check is drawn should appear on the check. If the name of the bank is not on the check, we would usually not accept it. However, in some instances, with two pieces of identification, a check without the bank name may be accepted, but the ABA number must be listed for routing purposes.

♦ Watch for special instructions on a check that may cause it to be void. Any special instructions take precedence over state law. An example is “Void after 30 days”.

♦ Refuse acceptance of a post dated check. Also refuse a check written 180 days (6 months) prior to today’s date; banks may not honor such checks.

♦ Accept checks for the amount owed only. Utility checks may be made for any amount, but the full amount is credited to the account and no change may be given to the customer.

♦ No foreign checks should be accepted unless they state “Payable in U.S. Funds.” Exception: Canadian checks may be accepted if they include the discount in the check amount.

♦ Never accept a two-party check unless it is for payment on an existing debt. No change can be given to the customer.

♦ Never make any changes to a check. Avoid any writing in the area where the MICR is. (The issuer can alter any portion of the check other than the signature or the preprinted portion; the change must be initialed by the issuer.)

♦ The Magnetic Ink Character Recognition (MICR) numbers normally pre-printed at the bottom, left hand corner of the check, allow the bank routing identification (ABA number), the customer’s account number, the check number, and often the check amount to be read into automated bank processing equipment very rapidly and accurately. If there are no pre-printed MICR numbers, the check will require special handling by the bank.

♦ In departments that have no recourse if a bad check is accepted, cashiers should require picture ID when the individual paying the check is not known. For example, if a citizen pays a utility bill and the check is returned for insufficient funds, the check can be charged back to that person’s utility account. If a person buys merchandise or pays an admissions price with a check that is later returned by the bank, however, there is no way to retrieve the merchandise or the admissions price.
If picture ID is required, be sure to check the ID to the check and to the check writer. If available, a driver's license number should be written on the face of the check.

♦ **NO CASH CAN BE GIVEN BACK AS CHANGE FOR A PAYMENT USING A MONEY ORDER, CASHIER'S CHECK, PERSONAL OR COMPANY CHECK.**

2) **No employee or personal checks** may be cashed from a cash drawer, a change fund or petty cash. The only authorized location for cashing personal checks is the Treasury Services Department. Please see Section 15 Employee Check Cashing Procedures.

3) Employees will not process their own transaction or transactions involving relatives or friends.

4) **Use an endorsement stamp to restrictively endorse payment to the bank. The City Treasurer will provide endorsement stamps on request. Departments will be responsible for the cost of endorsement stamps.**

Checks processed by Treasurer's Cashiers are endorsed by machine as part of the receipt process. Other exceptions to using a restrictive endorsement stamp need to be approved by the City Treasurer. Occasionally, the machine may fail to endorse a check, and this necessitates using an endorsement stamp.

Per Federal law, the endorsement should be stamped in the first 1-1/2 inches on the back of the check on the trailing edges. The remainder of the back must be left blank. (Identification notifications should be made on the front.)

5) Deposits brought to the Cashiers from other Departments that include at least three three checks must be endorsed by the Department and include a tape of the checks.

6) When depositing funds with the Spokane City Treasurer the following example should be followed:

   Pay to the Order of  
   (E.g. Seafirst) Bank  
   (Bank's routing identification e.g. 1:125000024:1)  
   For Deposit Only  
   City of Spokane  
   (Department name)  
   (Bank account number e.g. 13430509)

Or when depositing directly into a bank account:

   Pay to the Order of  
   (E.g. Seafirst) Bank  
   (Bank's routing identification e.g.1:125000024:1)  
   For Deposit Only  
   Spokane City XXXX Department  
   (Department's bank account number)

- 34 -        April 2006
7) Checks should always be placed in a secured environment out of the reach of the public or customers.

8) If you know that a check belongs to the City, but does not belong to your department, restrictively endorse the check using an abbreviated endorsement. For example,

    For deposit only
    City of Spokane

Forward the check promptly to the appropriate City department, obtaining a receipt (for accounting control) from the department or the accountant to whom the check is forwarded.

DEPOSIT OF CHECKS MADE OUT TO CITY EMPLOYEES

Checks for the City should never be made out to City employees by name nor should checks be made out jointly to the City and the employee. There occasionally are circumstances where this does occur (such as refund of registration fees, etc). If this happens, the person depositing the check is requested to provide a short written explanation along with the check. This record remains in the Treasury Services Department and be made available for audit purposes.

The check should be endorsed over to the City. The endorsement should state, “Pay to the City of Spokane” and should be signed by the employee. The Treasurer’s Receipt used to book the money into the appropriate City account should contain enough detail to explain the reason for the check.
15. EMPLOYEE CHECK CASHING PROCEDURES

1. Only personal checks written by the employee to the order of “cash”, the “bearer”, or the City, or expense vouchers written by the City to the order of the employee will be cashed. With the possible exception of insurance reimbursement checks, no other two-party checks will be cashed and no payroll checks will be cashed. (Insurance reimbursement checks may be cashed by Treasury Services Department Cashiers if cash is available and workload permits.) Personal checks must be preprinted with the name and the address of the employee. The employee will write his/her business telephone number on the face of the check. Checks will be cashed only at City Hall in the Treasury Services Department.

2. The cashing of checks will only be performed when sufficient cash is available for normal operations. The limit is $100 for personal checks, one personal check per day and two personal checks per week. Personal checks of up to $200 may be cashed with prior approval from the Treasurer. Checks in excess of $200 shall not be cashed. The only limitation for expense vouchers is the availability of cash.

3. Photo identification may be required at the discretion of the cashier. If the cashier personally knows the employee, the identification procedures may be waived. If the person who wishes to cash a check is unknown to the cashier, identification by another employee of the Treasury Services Department may be deemed sufficient. Proof of the person’s employment status may also be obtained from payroll, personnel, or civil service.

4. A Cashier will not cash his/her own check, draft, or warrant.

5. No post-dated checks will be accepted.

6. Fees will be charged for the return of a check for any reason. These fees will be consistent with the fees charged customers of the City.

7. In the event of the return of a check, the employee will be notified immediately by the Treasury Services Department. Check cashing privileges of the employee will be suspended for one month if the dishonored check is replaced by “good funds” of the employee within three days. If it is not made good within three days, the suspension will last for six months after the check is made good.

If the dishonored check has not been replaced with “good funds” within fifteen days after the notice of dishonor is sent to the employee, the amount of the check will be withheld from the next paycheck. (However, Federal law requires that the resulting pay must not be less than minimum wage.) If this is insufficient to cover the amount of the dishonored check, amounts will be withheld from subsequent checks until the amount of the dishonored check and related fees are collected.

RCW 35.21.087 states, “In the event that any personal check cashed for a city or town employee by the city or town under this section is dishonored by the drawee financial institution when presented for payment, the city or town is authorized, after notice to the drawer or endorser of the dishonor, to withhold from the drawer’s or endorser’s next payroll check, draft, or warrant the full amount of the dishonored check”.

- 36 -

April 2006
8. If a second check is dishonored for any length of time, the employee will **permanently** lose check-cashing privileges unless an exception is approved by the Chief Financial Officer.

9. Checks will be accepted subject to the availability of cash to meet normal operating needs and will be accepted during normal business hours for the cashiering operation.

16. CHECK CASHING PROCEDURES

CHECKS MADE OUT TO THE CITY OF SPOKANE IN ERROR:

When a check is erroneously made out to the City of Spokane, the person responsible for the misdirected check should request that the drawer remake the check to the proper party/entity.

If this is highly inconvenient or impractical to do and the person with the check is willing to take responsibility for the redirection of the payment, the following actions are required.

1. A memo on appropriate departmental letterhead signed by the person requesting an endorsement to another account should be sent to the City Treasurer. This memo should describe the circumstances and request that the check be endorsed over to another person or entity. This memo should be signed and dated by the requesting party.

2. The City Treasurer may endorse the check over to the requested party if he or she agrees that returning the check would be highly inconvenient or impractical. In no case will the City Treasurer cause such a check to be cashed by the City. It is highly desirable that the endorsement be to another entity or bank account rather than an individual.

3. The endorsement would be as follows:
   
   Pay to the order of:
   
   X X X X X X
   
   (E.g. Ellen Dolan), City Treasurer

4. The City Treasurer shall keep a record including the memo and a copy of both sides of the check in the Treasurer’s files. This record will be kept for a period of seven (7) years from the date of endorsement.

CHECKS MADE OUT TO THE CITY OF SPOKANE AND ANOTHER PAYEE:

The procedures listed in numbers one, three, and four above should be followed when a check is made payable to both the City and another payee. Please note that only the **City Treasurer** and the **Chief Financial Officer** are authorized to endorse checks. (City Council Resolution 98-50).

17. OFFICIAL CITY RECEIPT

City money must be deposited in the bank or with the City Treasurer within twenty-four (24) hours. (RCW 43.09.240) Exceptions are possible **only** with a written agreement with the City Treasurer. Funds collected on a weekend or holiday must be deposited in the night deposit at a bank
previously approved by the City Treasurer. The money must also be booked as soon as possible with the Treasurer’s Office using a Treasurer’s Receipt.

A Treasurer’s Receipt must be presented to a cashier in the Treasury Services Department prior to 2:00 P.M. on the date noted on the receipt. For changes in this time requirement, watch for a notice posted at the Treasury Services Department.

Please see the pages 42 & 43 for sample Treasurer Receipts

CITY OF SPOKANE ADMIN 0860-05-01
ADMINISTRATIVE POLICY AND PROCEDURE

TITLE: TREASURER’S RECEIPTS AND CASH RECEIPTING SYSTEM
EFFECTIVE DATE: June 1, 2004
REVISION DATE

1.0 GENERAL

1.1 The City receives cash from various activities and needs to account for its receipt in a timely and accurate manner.

1.2 TABLE OF CONTENTS

1.0 GENERAL
2.0 DEPARTMENTS/DIVISIONS AFFECTED
3.0 REFERENCES
4.0 DEFINITIONS
5.0 POLICY
6.0 PROCEDURE
7.0 RESPONSIBILITIES
8.0 APPENDICES

2.0 DEPARTMENTS/DIVISIONS AFFECTED

This policy shall apply to all City divisions and departments.

3.0 REFERENCES

RCW section 43.09.240
City of Spokane Cash Handler Manual

4.0 DEFINITIONS

4.1 "Treasurer’s Receipt" is a document used for the recording of bank deposits in the City’s general ledger system (FMS). The Receipt includes information needed to identify the correct budget account number to be used in the general ledger.
5.0 POLICY

5.1 Under state law, City money shall be deposited in an authorized bank or with the City Treasurer within twenty-four (24) hours of receipt (RCW 43.09.240). The Treasurer may in his or her discretion grant an exception subject to state law and this policy.

5.2 In addition, the transaction needs to be recorded in the general ledger.

6.0 PROCEDURE

6.1 An e-mail template of the Treasurer’s Receipt form may be obtained on the City's intranet.

6.2 Two copies of a Treasurer’s Receipt shall be presented to a cashier in the Treasury Services Department prior to 2:00 p.m. on the date noted on the Receipt. The 2:00 p.m. deadline may be changed to allow for shortened workdays due to holidays. A notice will be posted at the Treasury Services Department when this occurs.

6.2 Departments shall follow the steps below for recording through the cashiers in the Treasury Services Department:

a. The Treasurer’s Receipt must be completely filled in.

b. Two (2) copies of the Receipt, along with the money to be deposited or documentation (i.e., deposit slip, e-mail verification from the Treasury Services Department) should be presented to a cashier in the Treasury Services Department.

c. After the cashier has verified the accuracy of the Receipt to the documentation, a consecutive, non-reoccurring receipt number will be printed on the Treasurer’s Receipt in the lower right-hand corner.

d. One copy of the Treasurer’s Receipt will be maintained in the Treasury Services Department and one copy will be maintained in the submitting department.

6.3 Exceptions To Twenty-Four Hour Deposit Policy.

6.3.1 The Treasurer may in his or her discretion grant an exception where such daily transfers would not be administratively practical or feasible as long as the Treasurer has received a written request from the department and where the department certifies that the money is held with proper safekeeping and that the department carries out proper theft protection to reduce risk of loss of funds. Exceptions granted by the treasurer shall state the frequency with which deposits are required as long as no exception exceeds a time period greater than one deposit per week.

6.3.2 Exceptions will be granted solely to departments not located in City Hall, provided that:

a. Small deposits – Departments will be allowed to hold deposits as long as they total less than five hundred dollars ($500) and the earliest item received has been in possession of the department for no more than five (5) working days. A deposit should be made on the day that total reaches five hundred dollars ($500). A deposit should always be made no later than the fifth day after the first item was received.

b. Deposits delayed due to illness, other unanticipated absence or work load peaks – These should be processed as promptly as possible. This situation should be brought to the department head’s attention so additional resources can be
applied. In no case should the five (5) working day rule be violated. Departments should consider a departmental policy on how they would handle these extenuating circumstances.

c. Outlying areas – On the days courier services are unavailable, deposits over five hundred dollars ($500) must be deposited within two (2) working days. However, departments will make every effort to make deposits in accordance with the twenty-four (24) hour deposit guideline.

6.3.3 Any deposits not promptly made will have proper safekeeping as follows:

a. will have all checks restrictively endorsed,

b. will be kept in a locked secure location,

c. will be in accordance with departmental policy in regard to the logging or photocopying of checks.

7.0 RESPONSIBILITIES

The Treasury Services Department shall administer this policy.

8.0 APPENDICES

Treasurer’s Receipt

APPROVED BY:

___________________________________  __________________________
Director       Date

___________________________________  __________________________
City Attorney      Date

9-02-05

DEPARTMENTAL RECEIPTS

Receipts for Departmental use would be similar in content to a Treasurer’s Receipt. The following rules apply:

1. Standard Departmental Receipts are ordered through the Purchasing section of the Accounting Department.
2. Redi-form receipts, receipts that may be purchased over the counter or off the shelf, shall not be used.
3. Receipts must be pre-numbered and used sequentially.
4. Department or City name must be preprinted.
5. Receipts shall include a space for the date of transaction.
6. Receipts shall include a space for the name of party from whom money is received.
7. Receipts shall include a space for the signature of person receiving money.
8. Receipts shall include a space for the identification of money, i.e., cash and/or check amounts.
9. Receipts shall include a space for the description of item or service purchased and accounting codes when appropriate.

Voided Departmental Receipts will not be destroyed; the original and copies will be kept on file with the respective Department.

18. DEPOSIT OF FUNDS WITH THE CITY TREASURER

City money must be deposited in the bank or with the City Treasurer within 24 hours. (RCW 43.09.240) Exceptions are possible only with a written agreement with the City Treasurer. Funds collected on a weekend or holiday may be deposited in the night deposit at a bank previously approved by the City Treasurer. The money must also be booked as soon as possible with the Treasurer’s Office using a Treasurer’s Receipt.

The performance of City duties involving cash may take place at a distance from City Hall and it may not be feasible to drive to the Treasury Services Department daily to make deposits. An account at the bank designated by contract with the City Treasurer may be used. Prior to creating such an account, there must be a written agreement with the City Treasurer.

Some departments utilize an internal City employee courier service to transport money and corresponding Treasurer’s Receipts from other City facilities to City Hall to be directly deposited at the Treasury Services Department. The cashiers will agree through signature to accept responsibility for the deposit.

When funds are direct deposited into another account, they must be transferred electronically to the City Treasurer on a daily basis. Express permission by the City Treasurer is required to do otherwise. Please see Section 24, Bank Accounts Separate from City Treasurer for examples of accounts held separately for certain imprest, trust, or restitution funds, and certain departmental accounts.
## TREASURER'S RECEIPT
City of Spokane

**RETURN TO DEPT:**

**DATE:** 5/20/05

**RECEIVED FROM:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Tran Code</th>
<th>Accounting Distribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total:** $ -

**Submitted By:**

**Poly Bag #:**

INCLUDE ORIGINAL AND ONE COPY WITH DEPOSIT
TREASURER'S RECEIPT
City of Spokane

RETURN TO DEPT: ____________________________
Include Name of Dept and person

RECEIVED FROM: ____________________________
Name of person payment received from or Dept name

DATE: 5/20/05

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>TRAN CODE</th>
<th>ACCOUNTING DISTRIBUTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEASE PAYMENT - Nontax - text of wrap text mode 2-line max</td>
<td>4109</td>
<td>4100 42100 34070</td>
<td>3,284.40</td>
</tr>
<tr>
<td>WATER DEPOSIT ACCOUNT</td>
<td>4XXX</td>
<td>4100 95999 95999</td>
<td>1,000.00</td>
</tr>
</tbody>
</table>

Total $ 10,004,284.40

Description of deposit or Name of person payment received from if not listed above

Person to call if questions - include phone #

TOTAL 10,004,284.40

SUBMITTED BY: KIM x7625

POLY BAG #: [Pre-printed number assigned to each poly bag]

INCLUDE ORIGINAL AND ONE COPY WITH DEPOSIT

Cash & checks in poly bag only - no credit cards!

These totals should agree

RAS # will go in this area when the Treasurers process this deposit
Night Deposit Safety
Night depository facilities are available for use 24 hours a day, seven days a week, including holidays. Following are some suggestions on exercising care when using a night depository facility.

- Be aware of your surroundings, particularly at night. If you observe or sense a suspicious person or circumstances, do not use the facility at that time. Immediately leave the area and come back at another time or use another night depository facility at a different location.
- Have your key ready in your hand as you approach the night depository facility. By having the key in your hand and ready to use, your transaction becomes quicker, easier and safer.
- Avoid establishing a predictable pattern of using the same night depository facility at the same time each day or visit. Vary the time of day you go and the routes you take to the facility.
- If you are using a drive-up facility, be sure passenger windows are rolled up and your doors are locked.
- Avoid walking long distances to the facility and any excessive display of money or a bank bag.
- If you're using the night depository facility during the hours of darkness -
  - Take another person with you if possible.
  - Park as close to the facility as possible in a well lighted area. If the lights at the facility are not working, do not use it! Call the branch the next day to report the nature of the lighting problem.
  - If shrubbery has overgrown or a tree blocks the view, select another night depository facility at another location. Notify the branch where the foliage problem was noted.
  - Should you become the victim of criminal activity, Report it immediately to your local branch and law enforcement officials. (Please see Section 28, Reporting of Losses.)
  - If the volume of your deposits is becoming so great that you are required to make numerous trips to the facility on a daily basis, consideration should be given to armored car service.

Armored Car Service

A department may choose to use armored car services. If so, such department shall bear the cost of using those services. In addition, the department shall be aware of and adhere to time schedules and specific rules and procedures of the armored car service company. Following are some of those rules and procedures, but they are not meant to be all-inclusive.

a) Always get a signed receipt when giving deposit bags to the armored car service employee. The receipt will have a serial number, name and address of City Department, name and address of bank for delivery, number of items, an indication of “locked” or “sealed”, an amount of value of the shipment, signature lines for the City and for the armored car employee, date and time. The City employee fills in the dollar value of checks/cash and signs the receipt prior to the pre-arranged pickup time, and the armored car employee writes in the number of bags and signs the receipt at the time of the pickup.

b) All deposit bags legibly tagged with the City name and address and the name and address of the bank for the deposit. If the shipping tag has been altered in any way, such as cross-outs and changed figures or names of shipper or addressee, the armored car service will not accept it.

c) All bags must be properly locked or tightly sealed, to insure their remaining intact throughout final delivery. Torn bags or bags with holes in them, or with defective seams or zippers shall not be used.
d) Armored car employees are required to use full names rather than just initials when signing for deposit bags. Departments will establish a similar policy for signatures.

19. PURCHASE OF COLLECTOR COIN OR CURRENCY

Cash Handlers who receive collector coin or currency while performing the duties of their job may purchase it at face value. However, there must be another employee present to witness the transaction. City employees shall not search through money on City time looking for collector coin or currency.

Departmental policies should be developed to put in place additional controls on the purchase of collector coin or currency. If Departmental policy differs from this Cash Manual, it must be approved by the Chief Financial Officer or the City Treasurer.
PART 4: MISCELLANEOUS PROCEDURAL GUIDELINES

20. PETTY CASH FUNDS

For the purpose of this manual, Petty Cash includes change funds, working funds, revolving, advance travel, stamp funds, etc., i.e., any sum of money or other resources set aside for such specific purposes as minor disbursements, making change, or similar uses. If petty cash is disbursed, it may be restored to its original amount no more frequently than twice monthly by a warrant drawn and charged to the applicable operating fund. The amount of the warrant should equal the aggregate of the disbursements.

1) The City Council must authorize each petty cash account by ordinance; initial setup and subsequent increases or decreases in the imprest amount must be Council authorized.

2) The Department Head shall appoint one Custodian of each petty cash account who should not do invoice processing, check signing, general accounting or cash receipt functions, if staffing allows. It will be the responsibility of the Custodian to render a receipt for the imprest amount to the Accounting Director from whom he/she receives it.

3) Annually the Accounting Director will obtain confirmation of Imprest Cash Funds. The confirmation from the appropriate Department Heads will confirm dollars authorized and issued for each fund along with the location and appointed custodian.

4) The Chief Financial Officer or designee shall assure that the amount in petty cash is counted and reconciled by someone other than the custodian. There shall also be a review of activity and the necessity of continuing the use of the petty cash fund especially when there has been a change in procedures, such the use of a purchasing card for small cost items.

5) The custodian shall assure that petty cash is kept in a safe, locked place.

6) The imprest amount shall be established by issuing a warrant. When established by warrant the transaction is a non-budget item.

7) The Accounting Director shall include the issued amount of all such petty cash in the City’s balance sheet.

8) If petty cash is disbursed, it must be replenished at least monthly and not more frequently than twice a month. The replenishment should be subject to the same review and approval as processed invoices. Replenishment must be by voucher (VP – Voucher Payment) with the appropriate receipts attached. Receipts should show:

   * Date
   * Amount
   * Recipient
   * Purpose

9) Receipts should be perforated or canceled by some other means to prevent reuse. At the time of replenishment, the Custodian should ensure that the balance remaining in petty cash,
together with the amount of the replenishment voucher, equals the issued amount for the
imprest fund.

10) The fund may never be used for personal cash advances even if secured by check or other
IOU.

11) The fund shall not be used for check cashing of any kind.

12) Petty cash should always be replenished at the end of the fiscal year so that expenses will be
reflected in the proper accounting period.

13) When an individual's appointment as Custodian is terminated, the fund must be replenished
and the imprest amount turned over to the disbursement officer. The Accounting Director must be
notified of a change in Custodian at the time the event occurs.

21. PAYMENTS RECEIVED IN THE MAIL

1) Open the mail and segregate remittances from the other mail. The person processing the mail
and preparing the same for entry shall not be the same person processing the receipts through
the cash register, if staffing allows. When it is not practical to hire additional personnel or to
reallocating these duties among existing personnel, other internal control procedures must be in
place, such as regular monitoring by another employee.

2) Prepare all payments (checks, money orders, drafts) for immediate deposit with the City
Treasurer. Be sure all checks, money orders, and drafts are signed.

3) Use endorsement stamp to restrictively endorse payment to the bank. The City
Treasurer will provide endorsement stamps on request. Departments will be
responsible for the cost of endorsement stamps.

4) Mail should be placed in a secured area until it is processed.

5) Establish an audit trail link between the check and the Treasurers Receipt. The audit trail
should provide enough information to allow the reversal of the accounting transaction if a
deposited check is returned. The department name on the endorsement and the date of the
attempted deposit usually provide sufficient information. (Please see Section 22 for information
regarding NSF Checks.)

6) If a check is payable to the City but lacks information necessary to identify the account
number for the Treasurer's Receipt, use a Department “Holding” or “Suspense Fund” account
number on the Treasurers Receipt. Make a photocopy of the check and present the check to
the Treasury Services Department with the Receipt. The check will be deposited in the bank.
When the deposit can be identified, the Department transfers it to the correct account number.
The transfer into the correct account should be done within seven (7) days. Money should be
booked within the same calendar month as the deposit is made, to facilitate bank
reconciliations.

7) If you know that a check belongs to the City, but does not belong to your department,
restrictively endorse the check using an abbreviated endorsement. For example,
For deposit only
City of Spokane

Forward the check to the appropriate City department promptly. Prior to opening, mail received in error may be forwarded to the correct address or department. An employee who opens an envelope containing a check has the responsibility to restrictively endorse the check and process the transaction or obtain a receipt (for accounting control) from the department or accountant to whom the check is forwarded.

The restrictive endorsement area is limited to 1.5” from the “trailing edge” on the back of the check. As you look at the front of a check, the trailing edge is on the left side. The endorsement stamp, plus any identification such as driver’s license number, telephone number, etc. must fit into this area. Example of endorsement placement:

Front

```
<table>
<thead>
<tr>
<th>ABC BANK</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay to</td>
<td>19</td>
</tr>
<tr>
<td>the Order of</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>Dollars</td>
</tr>
<tr>
<td>For</td>
<td></td>
</tr>
</tbody>
</table>
```

<-- Trailing Edge -->

Back

```
<table>
<thead>
<tr>
<th>Customer Endorsement</th>
<th>Bank of First Deposit Endorsement</th>
<th>Subsequent Endorsements</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;-- 1 1/2&quot; --&gt;</td>
<td>&lt;-- 3&quot; --&gt;</td>
<td></td>
</tr>
</tbody>
</table>
```

Leading Edge -->
22. BANK RETURNED (NSF) CHECKS PROCEDURES

The Treasury Services Department maintains a separate bank account (NSF Fund) to cover checks dishonored by the depository bank and to recoup the amount of the checks and expenses from the depositing departments. The bank returns to the Treasury Services Department any checks that it dishonors for any reason.

The Treasury Services Department maintains a database to account for all financial processes regarding returned checks and to reconcile the NSF fund to the cash management and general ledger systems. The department will send all returned checks to the depositing department within one working day.

Because the Utilities Billing section is able to reverse payments to established utility accounts, Utilities Billing will make deposits through the Treasury Services Department to reimburse the NSF fund. Once a month, Utilities Billing will initiate a CT batch to transfer to the Treasury Services Department the check fees.

By noon each Tuesday, all other departments with NSF checks will initiate NS batches, entered into FMS by accountants, and e-mail backup to the NSF accounting clerk and accountant in the Treasury Services Department. The total NS batches are posted to FMS by the Treasurer’s accountant and a wire transfer requested. On Wednesdays, the total NSF amount is wired from operating account to NSF account at the bank. The backup is entered into the NSF database by the accounting clerk.

Individual departments are responsible for collecting funds and fees for NSF checks and for referring the uncollected NSF check to the Legal Department for collection assistance.

Fees corresponding to the repaid NSF checks will be charged to the originating departments on a monthly basis by Cash Transfer. It is expected that a $25.00 fee will be paid to the City to reimburse costs of handling and collection. Some individual departments have negotiated a split of fees with the Treasury Services Department.

If a check is returned because of bank error, the originating department will provide documentation to be granted a waiver. Individual adjustments or waivers of fees must be approved by the City Treasurer or Treasurer’s designee.

It is the responsibility of the Treasury Services Department to maintain the NSF Fund and the NSF database, and to account for the financial transactions.

It is the responsibility of depositing departments to notify citizens of dishonored checks and to collect the funds and fees, or to refer the collection to the Legal Department. Departments are also responsible for reimbursing the Treasury Services Department through the procedures described above.
23. NON-CITY MONEY AND CONTRIBUTIONS

1) **Guaranty Deposits**: Depositor owned money held in trust by the City to guarantee payment. The money is refundable if not needed.

   a) The departmental cashier shall exchange a (pre-numbered) departmental receipt for the guaranty deposit. They shall deliver the deposit to the City Treasurer as soon as possible. They shall also “book” the money within seven (7) days. Money should be booked within the same calendar month as the deposit was made, to facilitate bank reconciliations.

   b) The Department instructs the Accounting Department to disburse the deposit by completing a disbursement authorization in the form of a Voucher (VP – Voucher Payment) and presenting a copy of the departmental receipt to the Accounting Department.

2) **Contributions**: Any monetary gift to the City received by a City officer, employee, or agent.

   a) All gifts must be receipted using an account code for contributions. If the donor is unknown, the receipt must be forwarded to the Department Supervisor or to the City Treasurer.

   b) Deposit all gifts with the City Treasurer or directly to a City bank account, if appropriate. “Booking” must occur according to City policy. [Please see above: 1) a)]

3) **Found Property**: Non-City money or articles of value found by a City officer, employee, or agent while performing City duties.

   State law requires that found property be turned over to the City Police Department.

4) **Unclaimed Property**: Non-City money belonging to a known or unknown owner who cannot be located by a City officer, employee, or agent responsible for returning the property to the owner. Escheatment laws apply to unclaimed property. The transactions are handled through the Accounting Department.

Example of unclaimed property: The City Treasurer acts as a trustee for guaranty deposit funds. The money is held in trust until the respective department authorizes the Accounting Department to disburse the funds. When the original depositor cannot be located, the payable but undistributed money becomes “Unclaimed Property”.

PART 5: CONTROL FUNCTIONS

24. BANK ACCOUNTS SEPARATE FROM CITY TREASURER

The circumstances in which funds of the City are deposited directly into an account other than the account held by the City Treasurer should be minimal and limited only to situations that fall into the categories as follows:

1) Trust and/or Restitution Funds with banks designated by the courts.

2) Imprest funds where checking accounts are maintained (petty cash, advance travel, drug funds, etc.)

3) Departmental accounts held separately, e.g., Library, Municipal Court, and Police. The bank shall be required to send the City Treasurer a duplicate monthly statement.

Written approval from the City Treasurer is required for the establishment of an account with any financial institution.

For information on using a night deposit box facility or armored car service, please see Section 22, Deposit of Funds with the City Treasurer.

NOTE: Please also see Section 18 regarding booking of money.

25. RECONCILIATION OF BANK ACCOUNTS

Bank accounts must be reconciled monthly by a person not having the responsibility for preparing and signing checks or deposits, receiving or disbursing cash, billing or other control of accounting records. If staffing is not sufficient to allow separation of duties, there should be regular oversight by another employee.

26. ACCOUNTING AND PHYSICAL CONTROL OVER CASH AND RECEIPT FORMS

1) City money must be deposited in the bank or with the City Treasurer within twenty-four (24) hours. RCW 43.09.240 states: Every public officer and employee, whose duty it is to collect or receive payments due or for the use of the public shall deposit such moneys collected or received by him or her with the treasurer of the local government once very twenty-four consecutive hours. The treasurer may in his or her discretion grant an exception where such daily transfers would not be administratively practical or feasible.

2) Funds collected on a weekend or holiday may be deposited in the night deposit at a bank previously approved by the City Treasurer. The money must also be booked as soon as possible with the Treasurer’s Office using a Treasurer’s Receipt.
3) Accounting control and physical control over cash and receipt forms should be established at the point where they first become accessible to City personnel. Good controls are designed to safeguard assets and insure the accuracy and reliability of accounting data. Good controls also promote operational efficiency and insure adherence to city, state, and federal statues.

4) Initial control of over-the-counter payments should be established using cash register, or pre-numbered multi-copy receipt forms. **Redi-form (off the shelf, over the counter) receipts should not be used.**

5) Treasurer’s Receipt forms and instructions are available in electronic format on the City’s intranet. (A sample with instructions is included in Section 17.) The Treasury Services Department has established a process for a sequential number to be generated when a Treasurer’s Receipt is processed. The City Treasurer ensures the integrity of the numbering system and is responsible for retaining backup records per the State Retention Schedule.

6) Standard Departmental Receipts should be ordered through Treasury Services. They should be accounted for by the respective department. All official receipts used by the City shall be pre-printed, pre-numbered, and used sequentially. Please see “Departmental Receipts” in Section 17 for the required content.

7) All receipt books issued by departments should be logged out and signed for by the site cashier. The numerical sequence of receipt books and all pre-numbered receipts issued to outside collection sites shall be accounted for.

8) If staffing allows, personnel receiving or disbursing cash should not have responsibility for bank reconciliations or billing, and should not have control of accounting records. If staffing is not sufficient to allow separation of duties, there should be regular over-sight by another employee.

9) Use an endorsement stamp to restrictively endorse payment to the bank. The City Treasurer will provide endorsement stamps on request. Departments will be responsible for the cost of endorsement stamps.

10) The check/cash/credit card composition of all money received should be immediately recorded into the cash register (when available) and onto receipts and/or other records as appropriate. All checks, cash, and credit card slips should be placed in a secure place at all times.

11) Any items that take the place of money should be recorded into the same system as cash. (For example coupons, discounts, gift certificates, postage, or similar items.)

12) Receipted money should be balanced to collection records (receipts) on a daily basis. The amount and composition of deposits should be compared to the daily record of collections by someone other than the one collecting or receiving the money. Ideally, this would be done daily, but no later than one week after the actual collection or receiving activity.

13) Anyone handling cash should have a separate drawer/box. That person has sole access to their drawer or box and is accountable for its contents. The cash drawer/box should be locked in a secure place while not in use, including during breaks.

14) Any tickets, passes, licenses, permits, discount cards, gift certificates, and like items sold should be pre-numbered and sold sequentially. If these are printed in-house, personnel receiving cash for them should not be involved in the printing of them.
15) Credit vouchers should be pre-numbered. They should be signed by the supervisor when issued.

16) Refund and void transactions should have prior approval by a supervisor, unless written Departmental Policy allows alternate monitoring. Refunds and voids should be rung into the cash register, if possible, and supported by proper documentation. Some Cash Handlers do not have cash registers, and some cash registers do not accept negative transactions. In these cases, Departmental Policy should establish procedures and proper documentation for refund and void transactions.

17) Documentation should be retained for all items rung into the cash register.

18) If cash registers are available, hand held calculators should not be used at cash registers/drawers to calculate the transaction amount. The cash registers, when available, should be programmed to make calculations on the entry of the transaction and to generate receipts.

19) 2 employees should be present to count money when custodianship of money is to be transferred. A receipt (or other signed acknowledgement) should document the transfer.

20) Large amounts of cash should be counted and stored away from the view of the public.

21) Receipts must be generated and offered to the customer.

22) Periodically, there may be an independent count of the cash in a cash box or a cash drawer. This count may be done by a State Auditor, the City Auditor, the Internal Auditor, or by another City Official. It is the responsibility of the cashier or custodian to be present during any such cash count to witness and verify the cash counted. The cashier or custodian must be present during the entire process. There should be a form for the auditor/official and the cashier/custodian to sign indicating the amount of cash verified by both parties.

23) No single employee should be responsible for authorizing, processing, recording, and reviewing a single transaction. This helps insure that errors and irregularities do not occur or that if they do occur, they are identified and corrected promptly. If staffing does not allow separation of duties, management should routinely review and approve individual transactions to maintain the required separation of duties.

24) Physical access to cash, credit card slips, and pre-numbered documents should be limited to authorized individuals. Limited access protects assets and assigns responsibility in the event of missing items.

25) All electronic transfers will be done by the Treasury Services Department.

26) All ACH transfers shall be coordinated with the Treasury Services Department.
27. REPORTING OF LOSSES

In the event of a suspected loss of public funds, it is important that correct procedures be followed in order to minimize the loss, assist investigations, prevent improper settlements, expedite bond claims and protect employees from false accusations.

1) Any person, who discovers a loss or theft of City money, shall immediately notify their Department Supervisor, who shall immediately notify the Department Head. The initial verbal report shall be followed by a formal written report within twenty-four hours.

2) Any time the suspected loss is over $100, the Department Head should notify the Chief Financial Officer and the City Treasurer immediately, followed by a formal written report within twenty-four hours to the Chief Financial Officer, the City Treasurer, and the City Auditor. However, a policy of reporting lesser amounts may be established by Department Heads. (Please see Section 13 Cash Over and Short Policy.)

3) The Internal Auditor may be consulted, who reports the suspected loss to the State Auditor's Regional Audit Manager, if appropriate. State agencies and local governments are required to notify the State Auditor's Office when fraud is suspected or detected. (RCW 43.09.185)

4) The Internal Auditor may also file a report with the Police Department and/or the Prosecuting Attorney.

5) DO NOT attempt to correct the loss. Report it as previously stated.

6) DO NOT make a restitution agreement with the suspect.

7) DO NOT destroy any pertinent records. All original records should be secured in a safe place such as the Accounting Department vault. In the case of a loss in the Accounting Department, contact the Chief Financial Officer, the City Treasurer, or the City Auditor until the office of the State Auditor completes the investigation.

8) Follow procedures outlined in Cash Over and Short Policy. (Section 13)

28. TEMPORARY EMPLOYEES AS CASH HANDLERS

Temporary Seasonal employees should not work as Cash Handlers. However, there can be exceptions established by Departmental Policy. In the case of such exceptions, Temporary Seasonal employees should be knowledgeable about cash handling practices. It shall be the responsibility of the respective department to provide cash handling training to the temporary employee.

Departments that allow Temporary Seasonal employees to work as Cash Handlers should develop a policy for training Temporary Seasonal employees in cash handling.

Temporary Seasonal employees are covered by the Faithful Performance Bond as long as they are on City premises and therefore must be bondable as required in Section 4 (3).
29. WHEN MONEY WEARS OUT OR IS DAMAGED

Even though American money’s unique paper is strong and durable, it does wear out with constant handling.

Banks send worn bills to the Treasury Services Department to be destroyed and exchanged for new ones. The denomination most commonly replaced is the $1 bill. There are almost two billion $1 bills in circulation, and the life expectancy of each is only about 18 months. Since larger denominations are handled less, they last longer.

When a bill is scorched or otherwise partially destroyed, the Treasury Services Department will replace it if clearly more than half of the original note remains. Fragments of mutilated currency which are not clearly more than one half of the original whole note may be exchanged only if the Commissioner of the Bureau of Government Financial Operations is satisfied by the evidence presented that the missing portions have been totally destroyed.

City Cash Handlers may accept damaged currency if clearly more than half of the original note remains. They may deposit this money with their regular deposit with the City Treasurer or the bank. When partially destroyed currency is not redeemed by the bank, check with the City Treasurer regarding further procedures. The fragment may be sent by either the Treasurer or by the respective Department, by registered mail to the Department of the Treasury, Bureau of Engraving and Printing, OCS/BEPA, Room 344, PO Box 37048, Washington, DC 20013.

NOTE: City Cash Handlers should not accept mutilated coin. Please see Section 8 Receiving Money from a Customer.

30. DETECTING COUNTERFEIT CURRENCY

Because of its relative value stability and the fact that all U.S. currency is printed in the same size (2.6" x 6.14"), U.S. currency is the most commonly counterfeited in the world. Counterfeiting is an increasing problem in the U.S. due to the proliferation of “desktop publishing” software and advances in color copying technology, which make it easier to produce fairly high quality counterfeit currency.

Cash Handlers should use extreme caution in accepting currency, exercising the knowledge gained in previous sections as well as the following factors:

Paper - Genuine U.S. currency is printed on special paper that is part cotton and part linen. Close inspection reveals randomly placed, hair-like red and blue chopped silk fibers impressed in the paper. Experienced Cash Handlers can distinguish between the feel of “real” mint paper, and other (copy) paper, in the softness of the feel of mint paper. (Note: mint paper can be washed, without losing its overall quality.)

Portait - The genuine portrait looks lifelike and stands out distinctly from the fine screen-like background. Counterfeit portraits look more one-dimensional, lifeless and flat.
Federal Reserve and Treasury Seals - On a genuine bill, the saw-tooth points of the Treasury Seal are clear, distinct and sharp. Counterfeit seals may have uneven, blunt or broken saw-tooth points.

Please see Section 7 for additional information regarding coin and currency.

The twelve Federal Reserve Districts (and the corresponding letters) are:

1  A  Boston, Massachusetts
2  B  New York, New York
3  C  Philadelphia, Pennsylvania
4  D  Cleveland, Ohio
5  E  Richmond, Virginia
6  F  Atlanta, Georgia
7  G  Chicago, Illinois
8  H  St. Louis, Missouri
9-  I  Minneapolis, Minnesota
10  J  Kansas City, Missouri
11  K  Dallas, Texas
12  L  San Francisco, California

Raised Notes
A fairly common method of “counterfeiting” money is the practice of creating “raised notes.” Genuine paper currency is sometimes altered in an attempt to increase its face value. One common method is to glue or tape numerals from higher denomination bills (such as a $20 bill) to the corners of a note of lower denomination (usually a $1 bill). Cash Handlers can protect against accepting raised notes at their higher denomination by always looking at the portrait on the bills they accept, instead of only looking at the numeral. It should be noted that raised notes are not counterfeit currency; they are usually legitimate $1 bills that can be accepted for their actual face value and exchanged for a bill that has not been mutilated.

Look for differences, not similarities, when checking for counterfeit bills.

Hold the bill in question and compare it with another bill of the same denomination.

If the Cash Handler suspects that a customer is attempting to pass counterfeit currency or raised notes, she or he should politely ask the customer for another bill or alternative payment method (check, credit card, etc.). If the customer insists on using the currency, accept it and follow the directions below. Your objective is to catch the criminal, not to stop the crime. Notify the supervisor. The local police and the nearest office of the U.S. Secret Service should also be contacted.

It is also important to remember that the higher the denomination, the more care should be taken (i.e., potential loss in accepting a counterfeit $50 bill is greater than the loss of accepting a counterfeit $10 bill). Note also, that counterfeiters know that greater care will be taken with large-denomination bills; therefore, the most commonly counterfeited bill in the U.S. is the $20 bill. (Note: worldwide, the U.S. $100 bill is the most commonly counterfeited.)
If funds *that have been accepted* by a Cash Handler are suspected of being counterfeit, the following procedure is to be observed:

* Delay the passer if possible.
* Dial 9, if necessary, to get an outside line; dial 9-1-1.
* Note the passer’s description, the description of any companion and if possible, the license number of the vehicle used.
* Retain the suspected counterfeit money to submit to law enforcement authorities. (Do not deposit it.)
* Write your initials and the date on a post-it note, and press it onto the bill.
* Handle the bill as little as possible to preserve any fingerprints and place it in a protective cover. (For example, an envelope)
* Surrender the bill only to law enforcement authorities.
* Notify the Department Head, who may notify the Risk Management Director.

### 31. SAFEGUARDING FUNDS IN AN EMERGENCY/EVACUATION SITUATION

It may be that an emergency would occur and that evacuation of the department or work site would be necessary. After determining the safety of all persons in the immediate work area, and time permitting, all cash shall be secured in a locked location. Responsibility lies with the Department Director and/or the designee.

**Fire or Bomb Threat**

In the event of a fire or a bomb threat, secure all money by locking the cash drawer and vacate the building as soon as possible. In the situation of a fire or other grievous threat, protecting people is of greater importance than retrieving City funds. If there is adequate time - personal judgment is critical here - secure money in the safe or vault and then vacate the premises.

### 32. ROBBERY

A Cash Handler must be informed on how to discourage a robbery as well as know the procedures to follow during and after a robbery. The average robbery takes ninety **seconds** from start to finish, so the Cash Handler must be prepared to act quickly.

### 32a. HOW TO DISCOURAGE A ROBBERY - PREVENTION PRACTICES

Robbery is a confrontation between a Cash Handler and a thief. The department and the Cash Handler should be aware that a thief is **less** likely to rob locations that:
• are clearly visible from the street, although money drawers should not be visible (thieves look for locations that are private)

• have numerous people in and around the location (the thief wants to confront as few people as possible)

• have cameras or other security devices visible and in good working order

• are aware of suspicious people milling in or around the location (the Cash Handler should interact with suspicious people, while noting their appearance as they are distracted by conversation)

• make eye contact with each customer

• do not use obvious bank bags to transport locked bags to the bank (the Cash Handler might put the tamper-proof bag inside another type of bag to conceal it)

• transport deposits with more than one person

• vary banking routine on a regular basis (i.e., the Cash Handler should not make deposits at the same time or place every day or night)

• are discreet about cash drawer limits and amounts of cash on hand at the facility (a good way to reduce the amount of currency on hand is to maximize the proportion of transactions that are handled through electronic means - credit/debit cards)

• have a cash policy (the department may choose to put a sign on a cash box or drawer that states “we carry no more than $XXX in cash”)

• secure cash box or safe to the wall or floor so it is not easily removed

• protect cash drawers

• monitor other personnel to become aware of any problems they may be having

• have a signal to alert co-workers of a potential problem, if possible unnecessary amounts of cash should not be kept in cash drawers. The approved department cash handling procedures should include rules and regulations regarding the cash limits that may be kept in the cash drawer at any one time. Currency in excess of these amounts should be stored in a secure vault or safe. In addition, departmental cash handling procedures should include the following items:

• all cash items and the cashier area itself, should be locked, if reasonably practical

• unauthorized persons should never be allowed in the cashier area

• cash or other confidential items should not be left on the counter
Some facilities use security devices. A procedure should be in place to check that security equipment is operational. (This may be checked by Security Personnel.) City facilities may use a silent alarm triggered by pushing a button. (“Panic Button”)

Other suggestions:

- Using Windex during the day to clean counters facilitates the identification of fingerprints if that becomes necessary.

- The opening and closing of daily operations is the most vulnerable time for a robbery. Cash Handlers should use caution by not allowing customers into the facility during the cash opening or closing, if possible.

32b. PROCEDURES TO FOLLOW DURING A ROBBERY

Despite the prevention methods above, the possibility that the Cash Handler will be confronted with a robbery situation persists. In such cases, two critical factors should be remembered: preservation of human life and health (the Cash Handler’s, the co-worker, and the citizen/public’s) is the overriding objective. Catching the criminal is the second consideration and preservation of City funds is the third objective.

In case of robberies, the Cash Handler’s objective is to catch the criminal, not to stop the crime! The following procedures should be observed in the case of a robbery:

1. Always assume there is a weapon even if one is not seen.

2. Be polite and accommodating. A nervous person is committing the robbery. Do not upset or antagonize the robber.

3. Keep talking to the robber. Explain your every movement such as, “Now I'm pulling out my cash drawer...” Avoid making any quick movements that might alarm the robber.

4. Do exactly as the robber asks.

5. Attempt no heroics. You may put the lives of innocent people in jeopardy when trying to be a hero.

6. Observe the robber but do not stare. Try to remember the distinguishing features of the robber. Check his/her height against markers on a door. You will be asked to describe the robber later, by completing a Police Department crime report.

7. Watch over all evidence left by the robber. Remember everything the robber touches. Keep plastic handy to cover the area after a robbery. (e.g. trash bag)

8. Listen to the voice, inflections, names, slang, and so on that the robber uses.

9. Do not leave the premises or call 911 until it is safe to do so.
32c. PROCEDURES TO FOLLOW AFTER A ROBBERY

Once the robber has left the building, if there is an alarm button, activate it. Then follow these steps:

1. Close your cashier window/cash register or drawer, cover the counter top (where the robbery took place) with plastic, lock entrance doors, and notify your supervisor about the robbery.

2. Keep any notes the robber had.

3. Call 911 and stay on the line until the Police arrive. Provide the emergency dispatcher with your name, address (know the street address at which you accept cash) and what happened.

4. Write down a description of the robber as soon as possible without checking with anyone else.

5. Speak to no one, other than City officials, until you have talked to the Police and have completed required police reports.

6. The supervisor should meet the police at the door - all officers will have identification.

7. No one, except the Police and perhaps your Department Officials, should be allowed in the facility after the robbery.

8. You may be asked to take the names and addresses of those who witnessed the robbery.

9. Employees should not talk to media unless OK’d by supervisors and law enforcement personnel.

Do not disclose amount of loss to anyone but police. Media does not need to know.
### ADDITIONAL PERSONS

<table>
<thead>
<tr>
<th>Incident #</th>
<th>Arrested</th>
<th>Y N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Race</th>
<th>DOB</th>
<th>Involvement</th>
<th>Suspect</th>
<th>Complainant</th>
<th>Victim</th>
<th>Finder</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Address/PO Box</th>
<th>City/State</th>
<th>Zip Code</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Involved: (Last, First, Initial)</th>
<th>Arrested</th>
<th>Y N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Race</th>
<th>DOB</th>
<th>Involvement</th>
<th>Suspect</th>
<th>Complainant</th>
<th>Victim</th>
<th>Finder</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Address/PO Box</th>
<th>City/State</th>
<th>Zip Code</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Involved: (Last, First, Initial)</th>
<th>Arrested</th>
<th>Y N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Race</th>
<th>DOB</th>
<th>Involvement</th>
<th>Suspect</th>
<th>Complainant</th>
<th>Victim</th>
<th>Finder</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Address/PO Box</th>
<th>City/State</th>
<th>Zip Code</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Involved: (Last, First, Initial)</th>
<th>Arrested</th>
<th>Y N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Race</th>
<th>DOB</th>
<th>Involvement</th>
<th>Suspect</th>
<th>Complainant</th>
<th>Victim</th>
<th>Finder</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Address/PO Box</th>
<th>City/State</th>
<th>Zip Code</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Involved: (Last, First, Initial)</th>
<th>Arrested</th>
<th>Y N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Race</th>
<th>DOB</th>
<th>Involvement</th>
<th>Suspect</th>
<th>Complainant</th>
<th>Victim</th>
<th>Finder</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Person Address/PO Box</th>
<th>City/State</th>
<th>Zip Code</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comments:

33d.
**Spokane Police/Spokane County Sheriff/Spokane Valley**

**Uniform Incident Report**

A neat and organized form for recording incidents is presented, containing various fields for data entry such as: AGENCY, INCIDENT NUMBER, TYPE OF REPORT, INCIDENT CLASSIFICATION, OCCURRED ON OR FROM, OCCURRED TO, STREET ADDRESS, RESIDENCE PHONE, BUSINESS PHONE, EMPLOYMENT/OCCUPATION, SCHOOL, RELATIONSHIP, CODE, NUMBER OF SUSPECTS/INVESTIGATED PERSONS IN THIS INCIDENT, SUBJECT CODES, AFFILIATION, BORN WHERE, ROBBERY #, CHARGES, ARREST DATE, AFFIRMATION, VEHICLE LICENCE NUMBER, SPECIAL FEATURES/DESCRIPTION, DAMAGE TO VEHICLE, DAMAGE TO PROPERTY, STATE TOW NO., REGISTERED OWNERS NAME, etc.

The form includes sections for recording detailed information about the incident, suspects, and the vehicles involved. It is designed to capture all relevant details efficiently. The form is filled out in a clear and concise manner, ensuring all necessary information is documented accurately. This type of report is crucial for law enforcement in maintaining records and facilitating investigations.
<table>
<thead>
<tr>
<th>No.</th>
<th>Action #</th>
<th>ITEM</th>
<th>SERIAL#</th>
<th>BRANDNAME</th>
<th>CALIBER/NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>DESC. CODE</td>
<td>DESCRIPTION OF WEAPON (INDICATE BARREL LENGTH, ACTION, FINISH)</td>
<td>MSC.</td>
<td>VALUE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>DESC. CODE</td>
<td>DESCRIPTION OF WEAPON (INDICATE BARREL LENGTH, ACTION, FINISH)</td>
<td>MSC.</td>
<td>VALUE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>DESC. CODE</td>
<td>DESCRIPTION OF WEAPON (INDICATE BARREL LENGTH, ACTION, FINISH)</td>
<td>MSC.</td>
<td>VALUE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>DESC. CODE</td>
<td>DESCRIPTION OF WEAPON (INDICATE BARREL LENGTH, ACTION, FINISH)</td>
<td>MSC.</td>
<td>VALUE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>DESC. CODE</td>
<td>DESCRIPTION OF WEAPON (INDICATE BARREL LENGTH, ACTION, FINISH)</td>
<td>MSC.</td>
<td>VALUE</td>
</tr>
</tbody>
</table>

PROPERTY / NARRATIVE REPORT

- April 2006
# APPENDIX A

## Common Errors That Can Cause a Cash Handler to Be Out of Balance:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Writing illegibly;</td>
</tr>
<tr>
<td>2</td>
<td>Taking currency out of strap without breaking the strap;</td>
</tr>
<tr>
<td>3</td>
<td>Writing Ending Cash down incorrectly;</td>
</tr>
<tr>
<td>4</td>
<td>Distractions during transaction;</td>
</tr>
<tr>
<td>5</td>
<td>Improper handling of transaction;</td>
</tr>
<tr>
<td>6</td>
<td>Picking up figures incorrectly;</td>
</tr>
<tr>
<td>7</td>
<td>Clipping and wrapping currency incorrectly;</td>
</tr>
<tr>
<td>8</td>
<td>Dropping part of a transaction in the trash;</td>
</tr>
<tr>
<td>9</td>
<td>Cash getting struck behind the cash drawer;</td>
</tr>
<tr>
<td>10</td>
<td>Not verifying check totals with two tapes;</td>
</tr>
<tr>
<td>11</td>
<td>Not clearing adding machine before using it;</td>
</tr>
<tr>
<td>12</td>
<td>Transposing numbers;</td>
</tr>
<tr>
<td>13</td>
<td>Mixing transactions between drawers.</td>
</tr>
</tbody>
</table>

## Cash Handling Errors That Are Not Easily Located

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not keeping currency separated by each denomination in cash drawer;</td>
</tr>
<tr>
<td>2</td>
<td>Sacrificing accuracy for speed;</td>
</tr>
<tr>
<td>3</td>
<td>Not putting money away immediately after completing a transaction;</td>
</tr>
<tr>
<td>4</td>
<td>Not locking cash drawer when leaving work station;</td>
</tr>
<tr>
<td>5</td>
<td>Forgetting to pay out cash;</td>
</tr>
<tr>
<td>6</td>
<td>Not counting money twice when paying out;</td>
</tr>
<tr>
<td>7</td>
<td>Not completely finishing a transaction before starting the next;</td>
</tr>
<tr>
<td>8</td>
<td>Adding up cash/checks in your head instead of using an adding machine with a tape;</td>
</tr>
<tr>
<td>9</td>
<td>Not looking at cash as you are paying out;</td>
</tr>
<tr>
<td>10</td>
<td>Allowing yourself to be distracted during a transaction;</td>
</tr>
<tr>
<td>11</td>
<td>Not changing invoice or stub for partial cash payment when done manually.</td>
</tr>
</tbody>
</table>
Appendix B

Transposition/Difference Chart

1. Where the difference between credits and debits is divisible by 9, there is likely to be an error in transposition. Thus, posting or listing 18 as 81 will cause an error of 63. \(63 \div 9 = 7\)

The chart below will show possible figures that may have been transposed to cause differences.

Amount of difference \(63\) — possibilities 7-70, 18-81, 29-92.

<table>
<thead>
<tr>
<th>Amount of Difference</th>
<th>Figures that may have been transposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>01-10 12-21 23-32 34-43 45-54 56-65 67-76 78-87 89-98</td>
</tr>
<tr>
<td>18</td>
<td>02-20 13-31 24-42 35-53 46-64 57-75 68-86 79-97</td>
</tr>
<tr>
<td>27</td>
<td>03-30 14-41 25-52 36-63 47-74 58-85 69-96</td>
</tr>
<tr>
<td>36</td>
<td>04-40 15-51 26-62 37-73 48-84 59-95</td>
</tr>
<tr>
<td>45</td>
<td>05-50 16-61 27-72 38-83 49-94</td>
</tr>
<tr>
<td>54</td>
<td>06-60 17-71 28-82 39-93</td>
</tr>
<tr>
<td>63</td>
<td>07-70 18-81 29-92</td>
</tr>
<tr>
<td>72</td>
<td>08-80 19-91</td>
</tr>
<tr>
<td>81</td>
<td>09-90</td>
</tr>
</tbody>
</table>

2. To determine if a large amount could be a transposition, add the digits and if the result is equally divisible by nine, the difference may be a transposition. To find the exact amount that may have been transposed, divide the actual difference by nine. For example:

\[
\begin{align*}
\text{Difference} & = 12,645.36 \\
\text{Total of digits} & = 27 \\
\text{Equally divisible by nine} & = 3 \text{ (Nothing left over)}
\end{align*}
\]

\[
\frac{12,645.36}{3} = 4,215.12
\]

3. Transposition Reversing 1st and 3rd Digit Numbers

| 99 | 102-201 | 203-302 | 304-403 | 405-504 | 505-606 | 607-706 | 707-807 | 807-908 |
| 198 | 103-301 | 204-402 | 305-503 | 406-604 | 507-705 | 608-806 | 708-907 |
| 297 | 104-401 | 205-502 | 306-603 | 407-704 | 508-805 | 609-906 |
| 396 | 105-501 | 206-602 | 307-703 | 408-804 | 509-905 |
| 495 | 106-601 | 207-702 | 308-803 | 409-904 |
| 594 | 107-701 | 208-802 | 309-903 |
| 693 | 108-801 | 209-902 |
| 792 | 109-901 |

(0 may be replaced by any number - 2nd digit)

4. If the difference is divisible by 99, it is likely caused by a slide. The precise slide to look for can be determined. Thus, suppose the difference is $45.56.

\[
\frac{45.56}{99} = 0.46 \&
\]

Error likely to be $44.00 posted as $44.
Thus applies to a 2 decimal slide only.
For a three decimal slide divide by 999.

5. If the balance is "out," an amount which is exactly divisible by 2, the error may have resulted from posting or listing to the wrong side of an account. Thus, posting or listing a debit of $60.00 as a credit will result in a balance which is "out" $120.00. A cash-on listed as an out will put you out of balance double the amount listed, (or as "out" listed as an "in").

6. If Sharp machine is used, check for error in Z outs.
GLOSSARY

**Altered Currency:** A currency that has been changed or tampered with in order to attain a greater amount for the currency than its face value.

**Assessment:** (1) The process of making the official valuation of property for purposes of taxation. (2) The valuation placed upon property as a result of this process.

**Automated Clearing House (ACH):** One form of Electronic Data Interchange (EDI), which is defined below. ACH payments are made from bank to bank electronically by computer. Payments can be initiated by the bank’s customer, such as the City, for goods or services. The payer’s account is debited (subtracted) on-line, while the payee’s account is credited (added) on-line. Direct deposit payroll is the most widely used form of an ACH transaction.

**Bank Check:** A check drawn by a bank on itself and signed by an authorized officer. Bank checks are also referred to as Treasurer’s Checks, Official Checks, or Cashier’s Checks.

**Bank Money Order:** Checks drawn by a bank on itself. The amount is encoded by the customer’s bank, and the customer completes the rest of the check. There is always a maximum limit to the check amount.

**Beginning Cash:** The amount of coin and currency deposited in a Cash Handler’s drawer at beginning of their shift.

**Booking Money:** The delivery of a completed Treasurer's Receipt to Treasury Services Department Cashiers, either with money to be deposited with the Treasury Services Department, or with a deposit slip for money that has already been deposited at the bank. In order for the City to have a record of money received or deposited into the bank, the department must book the money.

**Cash:** (1) Coin, currency, checks, money orders. (2) When identifying cash composition on a receipt or for identification of intact deposit, cash refers only to coin and currency. (Traveler Checks in some circumstances.)

**Cash Drawer:** Drawer or lock box used to store currency, coin, and checks during Cash Handler’s shift when completing transactions. This drawer should be locked when the Cash Handler is away for any reason.

**Check:** Draft or order on a bank to be drawn upon a deposit of funds for the payment of a certain sum of money to a person named or to a bearer, and payable on demand.

**City Money:** Coin, currency, checks, money orders, credit and debit card payments, other electronic payment media and other negotiable instruments received and receipted by a City employee while performing City duties. City money is also referred to as receipted money.

**Collusion:** A secret agreement between two or more people to break a law.
**Counterfeit:** Currency or coins that have been fraudulently manufactured. Creating counterfeit money is a felony. Makers are subject to fines and imprisonment.

**Custodian:** Designated employee responsible for the integrity of a cash fund.

**Deposit:** To leave money with a bank or the Treasury Services Department for credit to a bank account or fund.

**Deposit Slip:** Slip on which a depositor lists cash and items for deposit with the bank.

**Dual Control:** A situation in which two people work together cooperatively in the verification of one another’s work. A method of maintaining security whereby two individuals must be present during transactions involving risk. Dual control is accomplished through the proper segregation of key duties, and by combination assignments for transactions involving risk. (An Example of a dual control is requiring two signatures on checks.)

**Electronic Data Interchange (EDI):** This is the common language used by businesses to send and receive business documents electronically (computer to computer) in a predetermined standard format. The main function of EDI is to replace paper documents with electronic transmissions. EDI eliminates the need to re-enter data into a computer and reduces the clerical, keying and mail time. EDI increases efficiency by reducing the possibility of errors in the processing of orders and payments. EDI transactions are considered more secure than in-person or paper transactions because the possibilities of forged signatures and counterfeit documents are eliminated.

**Electronic Fund Transfer (EFT):** A common form of ACH (defined above) transaction in which funds are transferred between customer’s bank accounts on-line. EFT’s include the well-known debit card transactions in which an ACH is accessed through a credit card service. They also include the widespread automated teller machine (ATM) transactions, in which an ACH is accessed through banking networks (e.g. the “Plus” or “Cirrus” networks).

**Embezzlement:** A fraud committed when an employee steals or assists another to steal. Fraudulent misappropriation of money or property entrusted to one’s care.

**Ending Cash:** Money found in a Cash Handler's drawer at the end of the day or shift.

**Endorsement:** Signature placed on the back of a negotiable instrument according to Federal Regulation CC, and which transfers the instrument to another party.

**Federal Reserve System:** U.S. central banking system that regulates the money supply.

**Federal Reserve Wire Transfers (“FedWire” or “Wire”):** On-line, real-time methods of transferring funds and supporting information between two financial institutions, using their Federal Reserve accounts. Municipalities make wire payments for large dollar items due to the FedWire’s absolute security and high degree of reliability.

**Forgery:** The alteration of a document or instrument with fraudulent intent.

**Fraud:** An attempt to obtain funds in other than appropriate and legal means.
**Guaranty Deposit:** Money deposited with the Treasury Services Department and held in trust during a specified period. This money is refundable if not needed.

**Hold:** The restriction of payment of part or all of the funds in an account.

**Identification:** Information piece that guarantees that its holder is truly who he or she claims to be and who is detailed on the information piece. Also defined as the procedure in which the true identity of a person is determined.

**Imprest Funds:** An imprest fund is established for a fixed amount and replenished by warrant, after a voucher is completed and approved.

**Internet Payment Process:** The Internet, also known as the “information superhighway”, is the on-line tie between computer databases and telecommunications (voice, audio and video) media in digital format. Using various ACH networks, including credit and debit card networks and check clearing houses worldwide, payment information can be transmitted between customers and vendors (such as municipalities), eliminating the need for currency, checks and coin.

**Loss:** A Cash Handler obtains physical custody of money and then, due to negligence, theft, or other reason cannot deposit that money with the City Treasurer.

**Magnetic Ink Character Recognition (MICR):** Magnetic codes on the bottom of a check that indicate bank routing number (ABA number), bank account number, check number, and dollar amount of check that can be read by automated processing equipment at a very high rate of speed.

**Money:** Coin, currency, checks, money orders, credit and debit card payments, other electronic payment media and other negotiable instruments generated as payments.

**Negotiable Instrument:** A written promise to pay - such as a check, promissory note, draft, or bill of exchange - payable to order or to bearer and transferred by endorsement.

**Non-Sufficient Funds (NSF):** Indication that there is not enough money in the account to pay the check or withdrawal order presented for payment.

**On-Line Check Verification:** The use of networks or databases of major retailers that share information about previously unaccepted checks. Paper checks can be “tested” on-line to ensure that the payer has no outstanding non-sufficient fund checks previously accepted within the network. This ensures that the payer’s account is currently valid, thereby increasing the likelihood of check payment.

**Overage:** Amount by which cash or its equivalent exceeds the proper balance.

**Over/Short Account:** A specific account that departments can use to document when a deposit is over or short.

**Payee:** Party to whom a check is payable.

**Payer:** Party signing the check.
**Petty Cash:** A revolving fund for very limited purposes. It provides a given amount of cash, often to provide change. Some petty cash funds are used for small expenditures for which the writing of checks is not practical. The fund is replenished by completing a voucher (VP - voucher payment) for the amount of expenditures, after which a warrant is issued.

**Petty Cash Reconciliation:** An analysis that explains the difference between the issued amount and the cash balance remaining in the Petty Cash Drawer.

**Postdated Check:** A check dated with a future date. It is not payable until the date written on the check. This is not a legal document and should not be accepted.

**Receipt:** (1) Written acknowledgment of money exchanged for payment of a product, service, or tax. (2) The amount of money received.

**Received Money:** Coin, currency, checks, money orders, credit and debit card payments, other electronic payment media and other negotiable instruments received by a City employee while performing City duties, for which an official City receipt has been issued. Received money is also referred to as City Money.

**Returned Item:** An item returned by the bank as not paid.

**Shortage:** An unintentional collection error made by the Cash Handler such as a change-making error.

**Stale Dated Check:** The date on the check is 180 days (6 months) or more before today’s date. Banks may not honor such checks and they should not be accepted.

**Stop Payment:** Notification that a restriction has been placed on one’s ability to cash a particular check. If a check has been lost or stolen, or if payment no longer should be made, a stop payment is initiated by the customer.

**Treasurer Receipt:** Three part form issued by the Treasury Services Department that is typically used to record the deposit of cash into the City Treasury and to serve as written acknowledgement of money exchanged for payment of a product, service, or tax for a specific department. Use of a Treasurer Receipt to record such a transaction is referred to as booking the money.

**Two Party Check:** A check presented as a negotiable document by the payee of the check and not the original payer.

**Voucher:** A written authorization used in approving a transaction for recording and payment. The City now uses an electronic version of a voucher, referred to as a “VP”, which stands for Voucher Payment.

**Warrant:** An order drawn by the legislative body or an officer of a governmental unit upon its treasurer, directing the latter to pay a specified amount to the person named or to the bearer. It may be payable upon demand, in which case it usually circulates the same as a bank check; or it may be payable only out of certain revenues when and if received, in which case it does not circulate as freely.