

## RULE 3.4 – RECEIPT AND DEPOSIT

Adopted Date: 08/02/2010

Revised Date: 10/12/2017

### PURPOSE

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The purpose of this rule is to document the City and County of Denver's (city) policy as to the proper acceptance, processing, depositing, and accounting of receipts. Every department or agency collecting receipts from taxes, licenses, fees, fines, penalties, forfeitures or any other source by any officer or employee of the city or any department or agency in their official capacity or during the performance of any official duty, shall follow this fiscal accountability rule and the associated Cash Handling Procedure. These shall be read in conjunction with the below City Charter, Denver Revised Municipal Code, and fiscal accountability rules noted to ensure compliance and understanding:

- [City Charter Article II – Mayor and Executive Departments, Part 5 – Finance §2.5.3 and §2.5.4](#)
- [Denver Revised Municipal Code – Chapter 20 – Finance, Article III. – Disposition of Funds, Division 2. – Handling of Receipts and Procedures for Making Refunds, Sec. 36 and 38](#)
- [Fiscal Accountability Rule 2.4 – Separation and Rotation of Duties](#)
- [Fiscal Accountability Rule 3.3 – Change Fund](#)

### DEFINITIONS

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**Business Cycle** – The period beginning when receipts are accepted and ending when the receipts are deposited. This is typically at the end of a business day, but may be at the end of a shift, or at any point when receipts are compiled to make a deposit. Business cycle and deposit frequency shall comply with this fiscal accountability rule.

**Deposit** – The act of depositing money into a city bank account. Deposits can be made electronically (imaged checks, credit cards, wires, and Automated Clearing House (ACH) payments) or manually (cash and checks delivered to the bank).

Unless otherwise specified at the beginning of the document, printed copies are UNCONTROLLED. Always refer to the online Fiscal Accountability Rules on City and County of Denver website prior to use to ensure you are using the most current copy.

**Change Fund Administrator** – All sources of U.S. dollar payments in the form of paper, coin, check, cashier's check/official check, money order and electronic fund transfers (EFT). A debit or credit card, with a major network logo that the city accepts, will be processed in accordance to the terms and conditions associated with the issuer; conversion rates may apply for international debit or credit cards.

- **Cash** – U.S. paper currency or coin.
- **Check** – Negotiable paper instrument drawn on a bank for the authorized signer payable to a third party.
- **Cashier's/Official Check** – A prepaid paper instrument to be handled the same as a check.
- **Money Order** – A printed order for payment of a specified sum, issued by a bank or post office.
- **Credit Card** – A plastic card having a magnetic strip or embedded micro-chip issued by a bank or other financial institution or business authorizing the holder to buy goods or services.
- **Debit Card** – A plastic card having a magnetic strip or embedded micro-chip issued by a bank or other financial institution or business that draws funds from the customer's bank deposit account via ATM or point-of-sale transaction.
- **Electronic Funds Transfers (EFT)** – An Automated Clearing House (ACH) or wire transfer transaction.

## RULES

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1. A department or agency shall establish, maintain, and monitor internal change fund policies and procedures. The policies and procedures may be more restrictive, but not more generous, than this fiscal accountability rule and the associated procedure as long as the more restrictive policies and procedures are consistently applied.
2. A department or agency shall ensure every receipt stored on site is secured at all times.
3. A department or agency shall ensure adequate internal controls regarding separation and rotation of duties are in place in accordance with [Fiscal Accountability Rule 2.4 – Separation and Rotation of Duties](#).
4. Receipts from every source shall be deposited into a depository account designated and approved by the Manager of Finance.
5. All receipts shall be counted and reconciled to the point-of-sale or payment system at the end of each business cycle. This activity shall be recorded in the city's financial system of record at a minimum of once a week.

6. A deposit shall be made each day the cumulative total of cash and checks to be deposited reaches \$500, or once each week, whichever comes first.
7. All credit and debit card activity shall be batched and manually or electronically transmitted and deposited to the bank each business day.
8. A check, debit card, and/or credit card shall not be accepted for payment of an amount in excess of the required payment.
9. A proof of payment receipt from a cash register or a manual control-numbered receipt shall be provided to the payer either physically or electronically, whether a payment is received in person, by phone, or through the city's web based payment/cashiering interface.
10. Every department and agency accepting debit or credit cards shall comply with city's [Payment Card Industry \(PCI\) Security Policy](#) (refer to [Procedure 3.4 – Cash Handling](#)).
11. Every department or agency shall create and maintain a **Cashier Close-Out Procedure** addressing how they will document the cash drawer count and payment system.
12. A department or agency shall create and maintain an **Over/Short Resolution Plan** addressing how they will respond to employees experiencing receipt and deposit overages/shortages. Employees shall not under any circumstances pay for shortages or keep excess funds (overages).
13. A department or agency shall review their cash handling policies, processes, and procedures annually to ensure they are current and in compliance with applicable fiscal accountability rules. Any updates to a department or agency cash handling policies, processes, and procedures shall be reviewed and approved by the Cash, Risk, and Capital Funding Division prior to implementation.
14. Any department or agency exceptions to these fiscal accountability rules shall be submitted in writing to the Cash, Risk, and Capital Funding Division for review and approval.

## AUTHORITY AND ACCOUNTABILITY

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The **Cash, Risk, and Capital Funding Division** and the **Controller's Office** are responsible for this fiscal accountability rule and any procedures, guides, job aids, forms, and one-page summaries associated with this rule.