



**DOUGLAS COUNTY TREASURER
CASHIERING HANDBOOK
(GUIDELINES AND POLICIES
ON CASH HANDLING)**

These guidelines and policies have been compiled by the Douglas County Treasurer's office to present an overview of our office procedures, banking functions and services, and to assist you in working with the County Code on 'CENTRAL CASHIERING' Chapter 3.03. We welcome your thoughts, comments and questions.

OBJECTIVES AND PURPOSE

The goal of the County's cash handling function is the accurate and secure receiving, receipting and processing of payments received at various locations throughout the County. This includes payments that are processed by the Treasurer's office or any other County department, under a manual system or through an automated system. The County Treasurer's office offers support and training to County departments and depositing agencies including guidelines and procedures for proper cash receipting. The general purposes for cash management are:

- A. To maximize the revenue accruing to the county through the investment of county funds and trust monies to the extent allowed by law, ordinance, and contract.
- B. Minimize the clerical efforts required to handle, process, and account for all monies received.
- C. Maximize the accountability for monies received.

It is the responsibility of the Treasurer's office to resolve deposit problems with the County's bank, no matter what department made the deposit. Department supervisors are responsible for the safekeeping of money that is received by their department and the prompt transfer of these funds to the Treasurer. All monies received by the offices of the county must be deposited into the banking system on or before the next regular working day following the day of receipt. The only exceptions allowed are:

1. The district court clerk and justice of the peace trust accounts, fees and levies collected each month, must be transferred by check to the County Treasurer by the 5th day of each month.
2. When the total monies received by a department in a day is less that \$100.
3. If it is money held in trust as permitted pursuant to subsection 3.03.080.
4. If the Treasurer's office granted a special exemption, on a case by case basis, due to unusual circumstances that dictated the need to do so.

Departments are expected to provide secure surroundings for employees who handle cash and keep them informed of all County receipt policies and procedures. Each department shall prepare and maintain a fully documented procedures manual concerning all aspects of its cash handling policies and procedures. All employees involved in the handling of monies are expected to be accurate and efficient when processing customer payments, making change, or accepting checks. They are also expected to safeguard County funds against loss, and to establish and maintain good customer relations. This includes the signing of a statement that they have read and understand the policies and procedures of the department in which they are working as well as the "Central Cashiering Ordinance." All procedure manuals shall be reviewed for proper accounting process by the county comptroller and the county treasurer.

It is the responsibility of each department to perform random, spot checks of their authorized petty cash funds. Such inspections are best done before, or after, normal working hours and the results should be retained for a period of one year or until the County's annual audit is completed.

All monies received in a day must be deposited in the form in which they were received. Monies received must not be used to pay bills or be used in any other type of transaction. It is against county policy for an official or employee of Douglas County to cash checks from public funds, and he/she shall refuse to cash from public funds, any check drawn by a private individual or a county official or employee, whether or not there is any reason to doubt that such check will be honored. An exception to this rule is that the treasurer's office may, by policy, cash personal checks. This section is not intended to stop the acceptance of personal checks in payment of obligations due Douglas County. However, in no event shall a check be accepted in an amount where the face value of the check and the amount owed Douglas County differ, requiring the return of cash to the maker. The current Treasurer policy is that the office may only cash employee personal checks that do not exceed \$50.00.

GENERAL GUIDELINES

SECTION 1.: RECEIVING CASH AND CHECKS:

The function of receiving money is a very important one in the County. This function includes one or more of the following distinct areas of responsibility:

- To receive payments from customers which can be cash, check, or other form of money
- To establish and maintain good customer relations
- To perform operations according to established County and departmental procedures
- To protect the assets of the County through sound accounting, reporting and loss prevention practices
- To deposit all monies received and complete all cash receipt forms promptly and accurately and to balance cash daily.

RECEIPT OF CASH:

- Care Must Be Taken When Accepting Cash. Once the customer is gone, that's it.

- Talk through the Transaction with the customer.
- Take your time in counting cash and double count large amounts and payments which involve many bills.
- Count the money back to the customer when giving change.
- Keep money received out of your cash drawer until the transaction is complete.
- Do not do two transactions at once, i.e. don't make change in the middle of taking a payment even for the same customer.
- Receipts must be given for all payments.
- Cash should be immediately placed in a secured area as soon as the transaction is complete, at a minimum a cash box should be used.
- Inspect large bills closely (i.e. \$50 and \$100) for counterfeit.

RECOGNIZING CURRENCY

The United States Treasury Department has the responsibility for issuing currency for the United States. U.S. currency takes the form of notes engraved on special paper and comes in seven denominations, each bearing a portrait of a different famous American.

These are as follows:

List of U.S. Currency

Denomination	Portrait
\$1.00	George Washington
\$2.00	Thomas Jefferson
\$5.00	Abraham Lincoln
\$10.00	Alexander Hamilton
\$20.00	Andrew Jackson
\$50.00	Ulysses S. Grant
\$100.00	Benjamin Franklin

In addition, the face of a currency bill contains key elements: the denomination, Federal Reserve Bank seal, serial number, and Treasury Department seal. The reverse side of a bill is similar for all denominations. Each bill's value designation appears in ten places on the bill. The Great Seal of the United States appears in the center of the bill, under the words "In God We Trust."

Look at a dollar bill and take special notice of the following parts as you handle it:

- 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, which is embossed over the written dollar amount.
- The unique serial number of the bill appears in both the lower left portion and the upper right portion on the face of the bill.
- The number of the Federal Reserve district that issued the bill appears near all four corners on the face of the bill.
- Denominations of \$10, \$20, \$50 and \$100 have a unique strip running the height of the bill just left of the portrait. This strip can be seen by holding the bill to the light.

RECOGNIZING COUNTERFEIT CURRENCY

Assure yourself that each bill is genuine. When accepting higher denomination bills, be sure to look for the security features shown below. Pen detectors are available from the Treasurer's Office for a minimal cost. Counterfeit currency that is not recognized will be confiscated by the Treasurer's Office or the bank and may be charged back against your fund and/or account.

The Redesigned Currency



Click or go here <http://www.moneyfactory.gov/newmoney/main.cfm/currency/aboutNotes>

for more information and security feature information for the above currency.

In order to stay ahead of counterfeiting, the United States government continues to redesign our paper money. A new **\$5** bill was issued on March 13, 2008. It will be followed by a new \$100 bill. Redesigned **\$10**, **\$20** and **\$50** bills are already in circulation.

This redesigned currency is safer, smarter and more secure:

Safer because it is harder to fake and easier to check;

Smarter to stay ahead of savvy counterfeiters; and

More secure to protect the integrity of United States currency.

While the addition of subtle background colors is the most noticeable design change, you should not use color to check the authenticity of your money because color can be duplicated by potential counterfeiters.

Help protect yourself by learning the easy-to-use [security features](#) in the new **\$5**, **\$10**, **\$20** and **\$50** bills. Although the government works hard so that it will be unlikely that you will receive a counterfeit bill, if you end up with one, you will be at a loss. Counterfeit bills cannot be exchanged for genuine ones, and knowingly passing along a counterfeit is illegal.

Counterfeiting of United States currency has been kept at low levels through a combination of improvements in security features, aggressive law enforcement and education efforts to inform the public about how to check their money.

HOW TO HANDLE COUNTERFEIT CURRENCY

- Do not put yourself in danger.
- Do not return the note to the passer.
- If you receive a counterfeit bill, hold on to it and delay the person while you or someone else calls the Sheriff's office if possible. You may also send someone to the bank for verification.
- Write down a description of the person who gave you the bill and their vehicle and license plate, if possible.
- Write your initials and the date on the suspected currency and put it in an envelope to preserve the fingerprints on the bill.
- Telephone the Sheriff or the U.S. Secret Service.

MUTILATED MONEY

There are specific federal banking regulations for redemption of bills that are unfit or mutilated. A bill must be greater than 1/2 (50%) intact and in such condition that the denomination and full serial number can be determined for it to be acceptable. Any bill without these minimum characteristics should not be accepted. Mutilated coins that are punched, clipped, plugged or not readily identifiable, as well as Canadian and other foreign coins should not be accepted.

Customers with mutilated money can be referred to: Dept. of the Treasury, OCS/BEPA, Room 344, P.O. Box 37048, Washington, D.C., 20013.

SECTION 2.: CHECKS

- Persons making payments shall be advised to make checks payable to the applicable office, not to the person holding the office.
- Cash should never be given back as change to a customer for a personal check, company check or cashier's check.
- All cash, coin and checks received shall be immediately placed into a lockable cash drawer for safekeeping.
- If funds are held overnight, all cash drawers and or vaults shall be locked.
- Check endorsement information, including the name of the department and bank account number, must be placed on the back of the check at the top 1.5 inches. The rest of the check must be left clear for the bank's stamps. Endorsement stamps are provided for each department by the Treasurer's office with the appropriate wording.

CHECK TERMINOLOGY

- A check is issued to transfer funds from one party to another.
- The term "negotiable instrument" means that when properly endorsed, the check is payable to the holder when presented at the issuer'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 upon whom the check is drawn, primarily a bank.
- 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. When accepting checks for the department/county, always ask the customer to write "Douglas County (office/department)" 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. Ensure that the maker's name, address and telephone number appear on the check. No cash back may be given for a personal check transaction.

Company Checks

Company checks may appear similar to personal checks. Some have a carbon paper strip attached for the company's internal bookkeeping system. Some are computer generated. Company checks may also have stubs or copies attached. Many of these checks have special instructions printed on them. Instructions may be "Look for the watermark on the back of this check before cashing", or "The colors of this check change from top to bottom" or "Two signatures required." These instructions are designed to assure that the payment is truly authorized. Failure to follow these instructions may expose the County to loss.

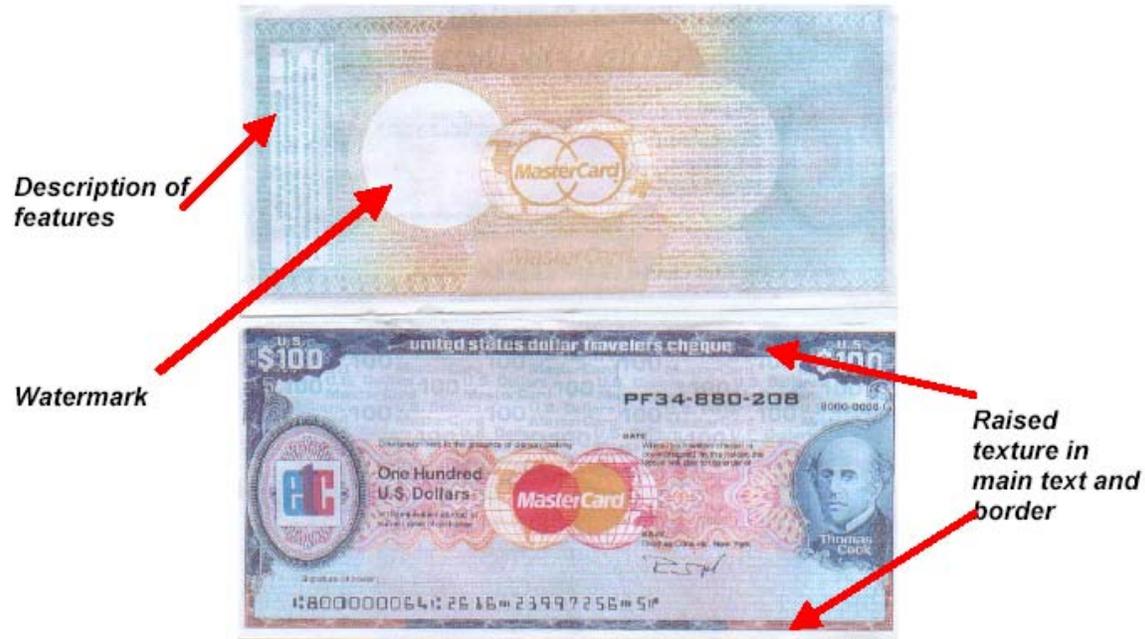
Cashier's Checks

This is a check drawn by a bank on its own funds. Since only the failure of the bank would cause the check to be dishonored, they are usually accepted readily. However, as with a personal or company check, the payee should be "Douglas County (office/department)" and no cash should be given back as change.

Traveler's Checks

These checks, sold by banks, are similar to money orders. They are signed by the purchaser 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 County facility, the customer must countersign and write in the payee in the presence of the cashier. Traveler's checks should be processed the same as any other check. If the traveler's check is completed correctly, cash may be given back as change. Traveler's checks are constructed with obvious security features to guard against counterfeiting. NOT all traveler's checks are the same, but they all contain some form of watermark, security tape or raised texture. In the event the security features cannot be determined you departments should contact the manufacturer for serial number verification.

Identifying Security Features:



- VISA - When held above eye level, a globe of the world appears on the front left and a dove in the upper right.
- MASTERCARD and THOMAS COOK - When held above eye level on the right side of the check in a circle, a Greek goddess will appear.
- CITICORP - When held above eye level, a Greek god's face will appear on the right.
- BANK of AMERICA – When held above eye level, 3 additional globes will appear.
- AMERICAN EXPRESS - Turn check over. Moisten your finger tip and run it over the left denomination. If it smears it is good. Right side will not smear.

Personal Money Orders

A personal money order is a check purchased from a financial service vendor for cash. The purchaser fills in the date, the payor, and the payee's name and address. Vendors usually restrict the maximum amount for which they will issue a money order. This amount is printed on the face of the money order. For example, on the money order may be printed the words "not to exceed \$300.00." If the amount of the money order is more than the "NOT TO EXCEED" amount, it should not be accepted. Cash must be given back as change for a money order.

Foreign Items

No foreign items including checks, money orders, and travelers checks should be accepted unless the words "U.S. Funds" or "U.S. Dollars" appear on the check, and a Federal Reserve routing

number is MICR encoded at the bottom of the item. The Federal Reserve routing number is a nine (9) digit number appearing on the lower left of the check. Generally, this number allows the item to be processed through the bank system. Without this code, the item is subject to bank collection charges, which, in many cases, exceed the value of the payment. If there is any doubt about the item, contact the Treasurer's office for guidance. Any foreign items accepted are to be forwarded to the Treasurer's office for processing. **DO NOT INCLUDE THEM IN YOUR REGULAR DEPOSIT WITHOUT SPECIFIC AUTHORIZATION FROM THE TREASURER'S OFFICE.** (Any collection fees incurred for converting the item to US dollars will be charged to your department/agency.)

Endorsements

All checks should be endorsed upon receipt. The endorsement is written or stamped in the area indicated on the back of the check. (Refer to "Accepting Cash and Checks," Item 3).

RETURNED ITEMS:

Frequently, checks deposited are returned unpaid by the maker's bank. The reasons for return checks include:

- Insufficient Funds (NSF)
- Account Closed
- Payment Stopped
- Unable to Locate
- Signature Missing
- Refer to Maker

When a check is returned, the county's account with the bank is charged for the item. The Treasurer's Office will automatically redeposit the returned item unless specifically instructed otherwise, either by the maker or by the originating department. If the item is returned a second time, the Treasurer's Office will determine from which department the check came, and create a reversing Treasury Receipt, charging that department for the Returned Item and any associated bank charges. It is then the department's responsibility to adjust their records and, following departmental procedures, attempt to recover the original payment amount along with a \$20.00 returned item processing fee.

In each department, a designated person shall be assigned responsibility for tracking and collecting amounts due for returned checks. Personal contact should be made and/or letters sent requesting reimbursement from the maker. If this collection effort fails or cannot be made, a demand therefor shall be made by certified mail as outlined in NRS 41.620. Follow ups should be done on a timely basis if needed, and copies of all letters and correspondence notes should be maintained. Where possible, computer software should be utilized in tracking returned items.

With the exception of property taxes as outlined by NRS, partial payments are not to be accepted and no arrangement shall be made for payment or restitution without the District Attorney's consent. (Ref. NRS 205.466 to 205.472)

WHAT MAKES A CHECK VALID:

Several requirements must be met to make a check negotiable or valid.

- The check must have a current date. The check should neither be stale-dated nor post dated. A stale dated check is a check dated 180 or more days in the past. A check dated in the future is a post-dated check.
- The check must have a maker. A maker is a company or individual who is paying for a County service. The County prefers that the name and address of the maker be pre-printed on the front of the check. The check cannot have a second endorsement (two party check).
- The amount must appear twice. It must be both spelled out and printed in numbers. If there is a discrepancy between the written amount and the amount in numbers, the written amount supersedes the amount in numbers.
- The maker or drawer must sign the check.
- The County must have certain information about the person writing the check. This information is:
 - Full name of Maker
 - Address
 - Telephone number

Finally, if the routing number and account number are not pre-printed at the bottom of the check, it should not be accepted.

SECTION 3.: COUNTING CURRENCY, COINS AND CHECKS:

To ensure consistent accuracy, the following method should be used to count currency. In a secure area:

- 1.) Separate the cash and the checks.
- 2.) Separate each denomination of cash with faces of the currency going the same direction.
- 3.) Count and bundle, if applicable, the cash as follows:

CURRENCY:

Denomination	Bundle & Count
\$ 1.00	\$1 x 25 by rubber band = \$25.00
\$ 5.00	\$5 x 20 by rubber band = \$100.00
\$ 10.00	\$10 x 25 by rubber band = \$250.00
\$ 20.00	\$20 x 25 by rubber band = \$500.00
\$ 1.00	\$1 x 100 by bank \$ band = \$100.00
\$ 5.00	\$5 x 100 by bank \$ band = \$500.00
\$ 10.00	\$10 x 100 by bank \$ band = \$1000.00
\$ 20.00	\$20 x 100 by bank \$ band = \$2000.00
\$ 50.00	\$50 x 20 by bank \$ band = \$1000.00
\$100.00	\$100 x 20 by bank \$ band = \$2000.00

****Note-Bank \$ Bands** can be obtained from the Treasurer's office or your bank.

COIN:

As with counting currency, establishing a set routine for counting coins will ensure accuracy. When possible, coins are stored in coin wrappers, or rolls, for easier and more accurate handling. These wrappers can be obtained from the Treasurer's office or you bank. Count each coin. Do not count by building a stack, then comparing the height of other stacks. When you open a wrapper of coins, always empty the whole package into the coin drawer or coin machine, and verify its contents. While you are not required to accept rolled coins as payment, inevitably you will receive them. As a matter of courtesy, rolled coins may be accepted in a reasonable quantity.

Six kinds of U.S. coins are issued as follows:

Value	Name	Metal Content	Roll / Count
\$.01	Penny	Bronze (copper/zinc)	50 in a roll = \$.50
\$.05	Nickel	Nickel and copper	40 in a roll = \$2.00
\$.10	Dime	Copper/nickel alloy	50 in a roll = \$5.00
\$.25	Quarter	Copper/nickel alloy	40 in a roll = \$10.00
\$.50	Half Dollar	Copper/nickel alloy	40 in a roll = \$20.00
\$1.00	"Silver Dollar"	Copper/nickel alloy	20 in a roll = \$20.00

NOTE: Susan B. Anthony dollars are easily mistaken for quarters. Use caution.

CHECKS:

When preparing checks for deposit you may group all checks together in a bundle. Each bundle or group can include up to 100 checks. For each bundle of checks run two calculator tapes. One tape will stay with the group of checks with an endorsement stamp on the tape for delivery to the bank. Each check must also be endorsed on the back with the stamp provided by the Treasurer's office. The second tape remains in the Treasurer's office attached to the daily deposit recap.

Always double-check your balance tape and revenue summary before depositing money in the bank or with the Treasurer.

SECTION 4.: DEPOSIT SLIP OR REVENUE SUMMARY

1.) Fill in the deposit slip or revenue summary as follows:

Currency: The amount of the total currency being deposited.

Coin: The amount of total coin being deposited.

Checks: For revenue summaries list the total amount of checks delivered. For bank deposit list each bundle separately on the deposit slip. In the “list each check” slot, write the total number of checks that are in each bundle and the corresponding dollar amount.

2.) Put all the currency, coin and checks in deposit bag(s) along with the completed deposit slip or revenue summary and give to the person responsible for making the deposit, either with the bank or Treasurer’s office.

3.) After the deposit is made, the person responsible for making the deposit will bring back either a bank receipt or a Treasurer’s receipt. The original preparer then checks for correct posting and attaches the receipt to the appropriate copies for filing.

SECTION 5.: RECEIVING MONEY FROM A CUSTOMER

Receiving Checks, Currency and Coins

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

- Put away all currency and coins from the last transaction before starting a new transaction.
- Count all cash and coins in the presence of the customer.
- Separate the currency from the coins.
- Count the currency before the coins.
- Count each currency denomination separately.
- Separate coins into denominations.
- Count each coin denomination separately.
- Verify the grand total against the amount listed on the billing or invoice.
- If any discrepancies exist between your total and the customer's total, count the money again. If a discrepancy still exists, ask your supervisor to count the money.

MAKING CHANGE

Giving change to a customer is one of the most important jobs of a cashier. If the amount given to the customer is incorrect, either the customer will feel cheated or the department will lose revenue. Either way, the cash drawer will be out of balance at the end of the day. To be certain that the amount given to the customer is correct, change should be counted at least two times.

Once when you count it out of the cash drawer and a second time when you count it back to the customer. Below is an example of how to count back change:

Example: The customer's bill was \$67.31 and he gave you \$100.00

Golden Rule: Do not put amount received away prior to making change.

- 1.) Cashier: "Your bill was \$67.31 out of \$100.00. Your change is \$32.69."
- 2.) Count \$32.69 out of the drawer.
- 3.) Count change back as follows:

(count four pennies)	67.32, 33, 34,	\$ 67.35
(count one nickel)		\$ 67.40
(count one dime)		\$ 67.50
(count two quarters)	67.75	\$ 68.00
(count two ones)	69.00	\$ 70.00
(count one ten)		\$ 80.00
(count one twenty)	and	\$100.00

"Thank you"

Give the customer the receipt.
Put the amount received in the drawer.
Close and lock the drawer.

SECTION 6.: ELECTRONIC PAYMENTS

Customers sometimes want to pay electronically through the Fedwire system or Automated Clearing House (ACH) system. An example of an ACH payment is the Direct Deposit payroll received by most County employees. The federal government has mandated that all federal payments be made electronically by January 1, 1999. Should your customer wish to use electronic payment systems in remitting funds to the county, the Treasurer's office will provide you with:

- The appropriate banking and routing numbers
- A standard form to send to the Treasurer's office for submitting the following:
 - The amount expected
 - Whom the amount is coming from
 - The General Ledger account number to be used when the deposit is received
 - The person to receive the Treasurer's Receipt when issued.

SECTION 7.: CREDIT CARDS

The Treasurer's office has developed a wide variety of credit card operations, including both over-the-counter and internet based transactions. Those departments wishing to establish credit card usage for their customers should contact the Treasurer's office for information and assistance on accounts, banking and fee agreements, equipment, software, hardware, encryption, security, supplies, web pages and receipting modules.

Process Credit Card Transaction Correctly:

Be sure to follow these steps each time you do a credit card transaction:

- Make sure you get authorization on every transaction.
- Make sure the transaction date falls on or in between the start date and expiration date on the credit card.
- Check credit card identifying marks, like holograms and logos.

Avoid High-Risk Credit Card Transactions:

- ***Be Careful of Credit transactions.*** Only issue credits to the credit card amount used to make the original purchase.

- ***Do Not Use credit Cards to Cover Bad Checks.*** Accessing a credit card account to pay for a bad check is against credit card regulations.
- ***Do Not Issue Cash Advances on Credit Cards.*** Departments are not authorized to process cash advances on a credit card.

Watch for Suspicious Behavior:

Keep an eye out for signs of potential credit card fraud. Watch for customers who:

- Make rapid purchases without regard to amount.
- Are overly talkative during a transaction.
- Attempt to rush transactions, especially at closing time.
- Are unsure of their credit limit, then ask you to split the sale into two or more transactions.

Recognize Bad Credit Cards:

Some signs of fraudulent cards include:

- Embossed characters that are enlarged or out of proportion to other characters on the same line.
- Numbers or letters that are ill-defined or of varying type-styles.
- Inconsistent spacing or crooked embossed lines.
- The word "VOID" showing due to an erasure on the signature panel.
- Damage to the pattern on the signature panel, or no panel at all.
- Glued-on paper, white adhesive tape, or white paint covering on the original signature panel.

All credit cards have features that are specific to their card type:

- ***Embossed Account Number***
 - Only VISA cards begin with the number 4.
 - Only VISA cards have the "CV", "BV", and "PV" symbols.
 - Only MASTERCARD cards begin with 5.
 - Only DISCOVER cards begin with 6.
- ***Signature Panel***
 - Visa Cards have the repetitive VISA name printed at a 45 degree angle. On other card types, the signature panel may have card information printed or may have nothing at all.
- ***Hologram***
 - VISA cards have the flying dove hologram image.
 - MASTERCARD cards have a hologram image of a world map.
 - Generally, other card types don't have holograms.
- ***Storage of Credit Card Receipts***
 - Keep copies of credit card receipts and journal/register tapes. Store them as securely as you would any confidential information. Any documents or handwritten notes containing credit card information that are not saved as part of your days work should be shredded immediately.

PREPARED BY:
Douglas County Treasurer's Office
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Date of Last Update: 12/2008

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