

**Collection and Safeguarding of Revenue****5.3.3****PURPOSE**

To provide best practices for the collection and safeguarding of City revenue.

**AUTHORITIES**San José City Charter Section 806

“It is the goal of the Finance Department to collect all the revenues which are due to the City of San José as per the San José City Charter Section 806. Per Section 806, the functions of the Finance Department and the powers and duties of the Director of Finance shall, except as otherwise provided in Article XII of the Charter, receive or collect all monies or revenues due the City.”

Chapter 2.04 of Title 2 of the San José Municipal Code Section 2.04.2020A

The Director of Finance shall administer and enforce all ordinances and regulations relating to the collection of City taxes. Administer and supervise the risk management function of the City.

**POLICY**

The City of San José shall issue receipts via a cash receipt form or cash register generated receipt when payments are received to ensure that revenues are safeguarded against mishandling, loss or theft prior to deposit.

**SCOPE**

This policy applies to all City employees responsible for handling City funds.

**PROCEDURES****Revenue Collection – Finance Department Cashier Counter at City Hall**

1. When payments are made at the Finance Department Cashiering Counter, the cash registers print duplicate copies of the transaction receipts. One copy is given to the customer and the other copy is stapled to the payment coupon or other documentation presented.
2. The Cashier writes the following information on the payment coupon or other documentation:
  - a. Transaction number
  - b. Type of payment: cash, check, credit card
3. All documentation, including receipts, is attached to the Revenue Voucher and submitted to the Finance Department Accounting Division.

**Revenue Collection – Remote Locations**

1. When payments are made at locations outside of City Hall, a receipt must be issued by using either a controlled numbered receipt form, an electronically generated receipt from the cash register, or from a device capable of printing a receipt.

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2. The staff member collecting the payment must write the following information on the payment coupon or other documentation:
  - a. Transaction/Receipt number; and
  - b. Type of payment: cash, check, credit card.
3. All documentation, including receipts, must be attached to the Revenue Voucher and submitted to the Accounting Division.

**Collection of Miscellaneous Revenue**

1. Departments have the responsibility to inform the Finance Department Accounting Division of miscellaneous revenue and to provide documentation (ordinances, resolutions, agreements or contracts) establishing the miscellaneous revenue.
2. Departments must establish a visible code with the Finance Department Accounting Division.
3. Department's must collect the funds, deposit the funds, and make the accounting entries into the Citywide Financial Management System.
4. Departments may request the Finance Department Treasury Division process the payment, deposit the funds, and prepare the accounting entries. The Department must provide the visible code to the Treasury Division payment processing staff.
5. Departments have the responsibility to follow-up on any missing payments of revenues and to secure payment.
6. All original supporting documentation must be retained by the administering Department.

**Safeguarding of Revenues**

1. All collecting Departments have the responsibility of preparing the bank deposits. The frequency of making a deposit is dependent on the worksite and the dollar value of the cash on hand. All remote Departments must make a deposit at least once a week.
2. When revenue collected at the remote locations reaches \$500, it must be taken to and remain at an alarmed facility with a locked stationary safe until the scheduled deposit date, unless otherwise approved by the Director of Finance. Please refer to City Administrative Policy Manual Section 5.3.7, General Guidelines for Cash Handling Procedures.
3. The staff responsible for collecting payments in Departments with various field locations must prepare a daily collection report to submit with the collected revenue to the designated Department collection center. The report and revenue collected must be reviewed and approved by a supervisor.
4. An armored courier service is contracted by the City to pick up deposits according to a predetermined schedule. This schedule is maintained in the Treasury Division of the Finance Department.

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- 5. Departments located at City Hall must submit deposits for revenue collected to the first floor cashiering staff before 11:00 a.m. in order for the funds to be delivered to the bank that day. If deposits are submitted after 11:00 a.m., the funds will be placed into the cashiering vault overnight and included in the courier pickup the following business day.
- 6. If a Department located at City Hall needs to retain revenue received overnight, the deposit should be prepared, sealed in an official bank bag, and delivered to the first floor cashiering staff for storage in the cashiering vault overnight.

Approved:

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/s/ Julia H. Cooper  
Director of Finance

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January 23, 2015  
Date