City of Parker, Florida
Procedural Processes

Bank Reconciliation and End of the Month Procedures

- The utility clerks receive and give the bank statements to the department heads to review when they come in the mail. Department heads look over statements, compares bank accounts to monthly reports.
- The accountant/bookkeeper may adjust for the month and reconcile the bank statements to the general ledger by the end of the month.
- With the addition of the accountant, who comes in on a weekly basis, the city implemented formal end of the month closing processes. All balance sheet accounts will be reconciled monthly. All revenues will be properly accrued monthly. Detailed review of general ledger to ensure proper coding of invoices. This is done by the accountant.
- The monthly bank statements are reviewed by the department head for accuracy and reasonableness and signs the bank statements. For further control, each department head is given monthly revenue and expenditure statements for review.
- Each canceled check is listed on the bank statement and cleared through bank reconciliation in the accounting system.
- The bank statement includes several other areas of activity, which may not be reflected in the general ledger, such as credit card charges and credits, bank service charges and printing costs, checks returned for insufficient funds, and wire transfers for principal and interest on bond payments. Each of these items on the bank statement must be researched and journal entries prepared as needed. If the items are not reflected in the general ledger, the items are listed as reconciling items on the bank reconciliation report.

Budget Reports

- Department heads are emailed budget reports monthly to verify that everything looks accurate. Questions are directed to the bookkeeper for clarification.
- The bookkeeper prepares financial reports for the Council members monthly and the city clerk includes them in their agendas.

- Monthly financial statements are given to the council and department heads for review and acceptance of the reports will be documented in the approved minutes of the council meetings.

Cash Handling and Deposits

- Except for unique circumstances, the two utility clerks receive utility payments in person, from the drop box and by mail. In person, they provide receipts, from a printer. When a circumstance arises that either utility clerk is unavailable to work at the front counter, the city clerk, planning person, or bookkeeper will fill in. There is a third cash drawer for use by whomever fills in at the front counter. They accept checks, credit cards or cash and make change from a drawer assigned for their use. $200 is kept in each of the 3 drawers for making change.
- The utility clerks can adjust for penalties, such as when checks dated before the due date are received after the due date, adjusting customer bills for verified water leaks, and adjustments for filling pools. They require the customer to provide support to prove there was a water leak and keep a file by month on all adjustments made with the supporting documentation. Other issues, like payment plans and other exceptions, go through at least the city clerk, and potentially the mayor.
- Each deposit is checked and verified to the batch sheet total by someone other than the person who generated the batch (other utility clerk, planning person or city clerk). The deposit ticket is initiated by the person verifying the deposit. The yellow carbon copy of the deposit ticket is stapled to the batch sheet and filed. The deposits are totaled and placed in a locked numbered bank issued deposit bag. They are logged on the deposit sheet with the bag number, amount and initialed by the preparer.
- The deposit is taken to the bank by the bookkeeper, planning person, city clerk or code officer. That person also signs the log sheet and writes in the time the deposit left City Hall. Person taking deposit is escorted by a uniformed police officer.
- If there are questions about deposits that arise from the monthly bank reconciliations, the bookkeeper asks the utility clerks. Daily, the utility clerks balance and close out their batches. When it doesn't balance, the bookkeeper asks for clarification.

- The City also accepts credit cards. Credit cards are batched separately from daily deposits.

FRS Reporting

- To ensure pension submission reports are completed and reviewed monthly for accuracy and completeness, the clerk will have the bookkeeper or other designated employee review the report prior to submission and sign copy of submitted report.
- After submission the bookkeeper or other designated employee will reconcile the amounts with the bank statements.

Grants

- Most grants are managed by the public works assistant and accountant and the files are kept in her office. When applicable, the public works supervisor helps manage the work being done with the contractors and engineers.
- The bookkeeper pays invoices for grant expenditures and the accountant scans the invoices to a separate folder on her computer to keep for reimbursement.
- When the reimbursement check comes in the mail or electronically, city planner or bookkeeper put the funds in other miscellaneous revenue or dedicated account. Public works director or public works assistant would let bookkeeper know which grant to code funds towards.
- Public works assistant, with the approval of the public works director, approves pa

Inventory

- When capital assets are purchased, the purchaser fills out a form, signs it, and hands it in with the invoice or receipt to the bookkeeper. Asset management is done by the department heads.
- The City has the discretion to classify as surplus any of its property that is obsolete or if the continued use of the property item is determined to be uneconomical, unsafe, inefficient, or to no longer serve a useful function. The following procedures are performed annually with respect to surplus property, if any:

- Each department identifies and requests authorization to dispose of surplus or obsolete equipment. A list of proposed items to be offered for sale is presented to the City Commission for approval.
- Each year, Public works sends out the inventory list belonging to each department head. They check to make sure everything is accurate and make changes.

Invoices/AP

- Utility Department payments which are pulled out of incoming mail by one of the utility clerks to be opened and posted, the utility clerk opens the mail. Invoices are date stamped and given to the department heads.
- Department heads initial, date, and code invoices unless there are questions. They are then placed in the bookkeeper's box for payment.
- The bookkeeper organizes invoices in preparation to pay on Mondays. Invoices are matched up with delivery receipts or statements and double checked for initials and appropriate codes. Pre-numbered checks are locked in the bookkeeper's filing cabinet behind a locked door. Invoices are entered into BS&A with attached bills. Department heads must give approval via BS&A system before checks can be printed.
- Once printed, the checks are given to the mayor. The **city clerk**, the mayor and council members have signatory authority, and checks require dual signatures. The mayor and the police chief have signatory authority for Law Enforcement Forfeiture Fund checks which also require dual signatures.
- Once signed, checks are returned to the bookkeeper who mails the checks, the bottom of the check stub is attached to the paper invoice and filed by year under vendor name.
- ACH payments are also made weekly if bills are due during that week.

Journal Entries

- Insurance, FRS retirement and payroll are debited via ACH.
- The bookkeeper records bills that are paid electronically.
- Detailed files associated with the journal entries are kept electronically.

- The invoice for the city credit cards is paid by check. The bookkeeper emails the statement to each department head so they can gather receipts and code them. They fill out a form listing all charges for the month. The cardholder and department head (if applicable) sign the form and turn it into the bookkeeper. All cardholders are sent email from bookkeeper to sign, code and date receipts.

  The bookkeeper then enters all charges into BS&A accounts payable, receipts are attached. Invoice must be approved by the department head prior to checks being issued.

Payroll

- All employee time sheets are completed by the employee, signed by employee then given to the department head for review and department head signature. Fire department payroll is signed by fire chief and mayor.
- Payroll is created from approved employee timesheets and used to enter weekly payroll information into BS&A by city clerk. This information is used to generate paychecks, track employee time including salaries, overtime, holiday pay and accruals (annual, sick and comp time).
- After information is entered into BS&A a check proofing report is generated as well as a check approval report.
- Both are reviewed by the bookkeeper and the mayor; signatures are placed on form.
- The city clerk includes the summary page, reports, and timesheets with check totals so that the bookkeeper and mayor can review it before transmitting funds. Bookkeeper and mayor check for accuracy prior to checks being created in BS&A system.
- Pre-numbered checks are in a locked in city clerk's office, although all payroll is done via direct deposit.
- The city clerk prepares quarterly reports such as 941s and RT-6s based on reports from the financial system. Reports are reviewed by the bookkeeper.
- City clerk makes sure the reports from the system tie out to the EFT payments she made for the quarter and the bookkeeper or accountant makes sure that the liability accounts are zeroed out at the end of the month when doing bank reconciliations.

- End of quarter Procedures: At the end of each calendar year quarter (March 31, June 30, September 30 and December 31), the City Clerk performs the following tasks: Print 941 report and summary, calendar YTD labor earnings detail and fiscal YTD labor distribution by department. Prepare Florida Unemployment Compensation Quarterly Tax and Wage Report. Prepare Form 941, Employee's Quarterly Federal Tax Return.

Supplies

- Packing slips received with shipments are verified by the department receiving the goods for accuracy. If invoices are received for which there are no packing slips, the invoices are sent to the departments receiving the goods for verification and approval before further processing.
- Each department handles their own ordering of supplies.