

City of Forest Park Standard Operating Procedure Revenue Collection

Subject: Revenue Collection and Reconciliation

Department(s): All Revenue-Collecting Departments

1. Purpose

To establish a standardized process for collecting, recording, and reconciling revenue by all departments collecting revenue on behalf of the City of Forest Park. This procedure ensures consistency, accuracy, and timely submission of financial data to the Finance Department.

2. Scope

This procedure applies to all departments responsible for collecting revenue through cash, check, or credit card payments for the City of Forest Park.

3. Responsibilities

- **All Revenue-Collecting Departments:**
 - Record all revenue in the City's accounting system (currently Tyler).
 - Open daily batches for each type of payment (cash, check, and credit card).
 - Reconcile daily batches at the end of each business day.
 - Deliver the cash letter and supporting documentation (cash, check, and credit card payments) to the Finance Department prior to 10:00 AM the following business day for verification and posting.
- **Finance Department:**
 - Verify the accuracy of daily batches and supporting documentation.
 - Post the verified information into the City's accounting system.

4. Procedure

4.1 Revenue Recording in Accounting System

- Each department is responsible for recording revenue using the Tyler system. This includes:
 - Properly coding all revenue to the appropriate account line items.
 - Ensuring each transaction is reflected in the system.

4.2 Opening Daily Batches

- For each business day:
 - Open a separate batch for each payment type (cash, check, and credit card).
 - Record each transaction in the appropriate batch as payments are received throughout the day.

4.3 Daily Reconciliation

- At the end of each business day:
 - Reconcile all batches for cash, check, and credit card transactions.
 - Ensure the total amount in the batch matches the physical cash, checks, and credit card receipts on hand.

4.4 Preparation and Submission of Cash Letter

- Daily, before 10:00 AM:
 - Prepare a cash letter for each batch from the previous day.
 - Include the following supporting documentation:
 - Cash: Physical cash and cash receipts.
 - Check: Physical checks and check receipts.
 - Credit card: Receipts and corresponding transaction reports.
 - Submit the cash letter and all supporting documentation to the Finance Department for verification.

4.5 Verification and Posting

- Upon receipt of the cash letters and supporting documentation, the Finance Department will:
 - Verify the accuracy of the recorded revenue against the supporting documents.
 - Post the verified revenue into the City's accounting system.

5. Compliance

All departments must adhere to this procedure to ensure accurate and timely financial reporting. Non-compliance may result in delays in posting revenue and potential discrepancies in the City's financial records.

6. Review and Revision

This SOP will be reviewed annually by the Finance Department or as necessary to accommodate changes in the accounting system or revenue collection practices.

Appendices:

- **Appendix A:** Example of a Cash Letter
- **Appendix B:** Tyler System Batch Entry Instructions