TOWN OF HILLSBOROUGH
PERSONNEL POLICY

POLICY 510 LAST REVISED 7/31/01

SUBJECT: CHECKING

PURPOSE: Establish authority to open and maintain various types of banking accounts to ensure the efficient management of the Town's finances.

STATEMENT OF POLICY:

The Town Finance Director has the authority to open and maintain checking accounts for the payment of contracts, invoices, and payroll in the various funds.

All payments from accounts in an amount greater than $5,000 shall require two separate signatures. In order to maintain separation of duties, no person who is assigned the duties of preparing for payment of any contracts and invoices and/or preparing the payroll shall be authorized to sign checks on that specific account. The following individuals or combination of individuals are authorized to sign accounts payable and payroll checks:

- City Manager
- Finance Director
- Public Works Director
- Assistant City Manager
- Assistant Finance Director (Payroll only)

All check stock shall be pre-numbered and assigned to a designated custodian. The custodian shall be responsible for the security of the inventory of all blank, issued, voided and honored checks. The custodian is required to be someone other than the person preparing the payments. The custodian shall recommend a minimum level of checks for inventory purposes and shall be responsible for the ordering of replacement checks when reorder levels are reached.

All checking accounts shall be balanced on a monthly basis, reconciling the cash balances to the month end general ledger account balances.