

Division of Accounting – Policies and Procedures Manual Standard Policies and Procedures	
Policy Number: AUB-05-05	Revision Number: 3
Subject: Cashiers, Payment Acceptance, Check Cashing, and Employee Payments	Effective Date:
	Superintendent Approval:
	General Manager Approval:

1.0 Purpose

Athens Utilities Board (AUB) provides cashier service for the convenience of its customers. Customers shall be served at the counter in the lobby of the utility’s main office, and via a drive-through window. After-hours service is provided via an after-hours depository. The counter and drive-through service shall be provided from 7:30 a.m. until 5:00 p.m. Monday through Thursday. These services will be provided from 7:30 a.m. through 4:00 p.m. on Fridays. Night depository service is available for the convenience of the utility’s customers at all times.

2.0 Reconciliation

Currency supplies for use in the drive through facility shall be maintained separate from the supplies used at the inside counter. Both funds shall be reconciled at least once each business day. The reconciliation process will consider all amounts received in currency and checks during the business day. The ending currency supply shall be reconciled to the “packet control total” generated in the course of each day’s transactions.

3.0 Currency Access

The area behind the cashier counter shall be secured at all times during the business day. Only authorized personnel will be permitted behind the counter. The lobby area at the counter is intended to be a customer service area. Employees will not loiter in the lobby area. Outside visitors behind the counter will not be permitted, and visitors at the counter should be discouraged.

○ **Petty Cash**

Petty cash and working funds will be established by withdrawals from the general fund and kept under general ledger control. Petty cash funds are established for the purpose of convenience when it is not feasible to pay for incidentals and small items by check or local purchase order. Local purchase orders should be used in all cases where monthly billing is, or can be made, to AUB. Working funds are established for the sole purpose of receiving money and making change for payment of utility bills. There shall be only one petty cash fund under the sole responsibility of one cashier who reports directly to the Superintendent of Accounting. Petty cash fund shall be reconciled daily, and responsibility for this reconciliation shall be rotated among different cashiers at least once each week.

○ **Petty Cash Disbursements**

A formal cash voucher must be completed in ink and approved by a superintendent before any disbursement is made from the fund. A separate voucher shall be used for

each disbursement from the fund and supporting data such as receipts, invoices, freight bills, etc., should be used supplementary to, and not in lieu of, the voucher. Supporting data shall be attached to the voucher. Checks will not be cashed out of petty cash.

○ **Reimbursement to Petty Cash**

Petty cash will be reimbursed as frequently as the fund requires, but always at the close of each monthly accounting period. Reimbursement will be made by check on the general fund to the custodian for amounts paid out of the petty cash fund. The petty cash custodian will present a “schedule of disbursements” with all cash vouchers and related documentation to substantiate amounts to be reimbursed. Reimbursement checks shall always be in the exact amount of the disbursements made from the petty cash fund.

5.0 Night Deposit

AUB provides a night depository for the convenience of its customers. The depository safe will remain closed and locked at all times. Cashiers will open the depository safe each morning prior to 7:30 under dual control. All payments in the depository will be processed and posted to the customers’ accounts. The depository safe will be opened again at 7:30 a.m., and any additional payments received will be processed. Any payments made in the night depository after 7:30 a.m. will be processed the following business day. Penalties for payments received in the night depository that were due the prior day will be forgiven. These payments will be processed as though they were received on their due date. All night depository envelopes will be retained for documentation. Cashiers will record the appropriate account number, customer name, and amount received on the face of the night deposit envelopes.

6.0 Mail Receipts

Customer payments received via mail will be processed by the cashiers daily. They will be processed on the date received, however the postdate placed on the envelope by the postal service will determine whether late payment penalties will be assessed. Payments in envelopes bearing postdates on or before the due date will be assessed no late payment penalties. Late payments with postdates after the due date will be assessed the appropriate penalty. Cashiers will retain the portion of the envelope containing the post date and return address for all late payments received in regular mail when the customer has not included the penalty amount in the payment. This portion of the envelope will be attached to the corresponding payment stub.

7.0 Employee Utility Payments

AUB expects its employees to be above reproach. Employees are expected to pay their utility bills on or before the due date. Under no circumstances will late payment penalties be waived for any employees when they would not ordinarily be waived for other

customers. Any employee payment received prior to 7:30 a.m. will be processed as though it was received in the night depository, and late payment penalties may be waived if the payment was due the day before. All payments paid at the counter, or in the drive through, after 7:30 a.m. will be processed on the date received, and appropriate late payment penalties will be applied. Cashiers will not process their own personal transactions. These transactions should be processed by another cashier.

8.0 Returned Checks

As a matter of practice, AUB will accept personal checks for utility payments. The utility will process all checks on the date received, and under no circumstances will it accept post-dated checks. All customers having checks returned to AUB will be assessed a fee of \$20.00. This fee will be added to the customer's utility account. Cashiers will advise customers via telephone or personal contact that a check has been returned and that the fee has been added to their balance due the utility. Utility service may be interrupted at any time if the customer fails to pick up the check and pay all requisite charges and fees in cash. AUB will not accept checks in payment of utility bills for customers with two checks returned.

9.0 Credit Cards

For the convenience of its customers, AUB accepts certain credit cards. Master Card, Visa, and Discover cards will be accepted. Customers may present the cards for payment of utility bills in person or call AUB and provide their credit card information via phone to make payment during normal business hours. A link for on-line credit card payment is also available on the AUB web page at www.aub.org. Credit cards may only be used to pay for utility service. Cash advances will not be allowed for any customers or employees.

9.1 Budget Bill

Athens Utilities Board provides a Budget Billing program whereby customers can pay an equal amount each month. The customer must have been at their current residence for at least twelve months to qualify for budget billing, as the monthly bill amount is set by averaging the most recent twelve months' history. The annual budget billing period commences on July 1 and ends on June 30. Equal payments paid throughout the budget billing year are accumulated as the Budget Billing Balance. This amount can be compared to the actual amount billed at any time during the year to arrive at the year-to-date difference in what has been billed and what has been paid. This "ahead" or "behind" amount is shown on the customer's monthly bill so that they can track their status and adjust their payments anytime during the year if they desire. As of June 30 each year, any deficiency (debit balance) between total budget payments paid during the fiscal year and the total actual billing amount for the period of \$50.00 or more is included on the June utility bill and must be paid by the due date of that billing cycle to bring the account balance to zero.. If the customer has paid more during the fiscal year via Budget Bill payments than the total actual billing amount for the period, AUB will pay the customer, bringing the account balance to zero for the start of the new year. Any difference less than \$50.00—debit or credit—will remain on the customer's account into the following period. Customers may request that the utility leave any credit balance (overage between budget and actual) on their account to begin the new fiscal year billing period.

Once all deficiencies and overages are settled at the end the budget billing year (June 30), the

monthly budget bill payment amount is recalculated using the most recent twelve months' history.

The set monthly budget bill amount must be paid each month. Failure to do so will result in delinquent account status regardless of the account's actual balance and may result in service disconnection.

- Pay Agreements for Budget Billing Program Accounts
 - The Budget Billing program is, in essence, a form of payment agreement running throughout the year wherein the customer pays something other than what is actually owed based on usage of product. Still, throughout the year a Budget Billing customer may execute Policy Pay Agreements on their monthly amount due pursuant to AUB's policy on Pay Agreements (with the exception of the "true up" bill at the end of the fiscal year, per below). However, if a customer fails to honor a Pay Agreement on a Budget Bill monthly amount, the customer must come off of the Budget Billing program for the remainder of the fiscal year and will be eligible to apply to re-enlist on the program at the beginning of the following fiscal year.
 - AUB cannot execute a Pay Agreement on the "true up" bill issued in June to end the fiscal year that is designed to bring the account balance to zero via a payment by the customer or via a payment to the customer by AUB.

Budget bill customers may elect to pay more than the set monthly budget bill amount. Any amount paid over the budget amount will be applied to the account balance. Customers may elect to discontinue budget billing at any time. Any deficiency between the total of budget payments paid and actual usage since July 1 of the current budget bill year must be satisfied to discontinue budget billing. Any excess budget bill payments over actual usage will be applied to the utility account upon discontinuance from budget billing. Budget bill accounts stay in the budget bill system until the customer requests removal.

10.0 Automatic Bank Draft

AUB will accept bank drafts on any commercial bank. The customer must complete and sign a preauthorization form and attach a voided check for the account from which the payment is to be made. AUB will mail a bill to the customer with a message indicating that the payment has been automatically deducted from the customer's checking account. These bills are mailed approximately fifteen days prior to the payment processing date providing the customer opportunity to review the bill before the payment is drafted. The customer's draft will be presented to the bank for payment on the date the "Net" amount is due. If funds are not available in the account at the time the draft is presented and the draft is returned unpaid, AUB will notify the customer by mail, phone or personal contact that the draft was returned unpaid. Upon return of the draft, an additional charge of \$20.00 will be added to the customer's utility account. The customer account will be subject to forfeiture of the discount and/or the adding of any penalties due and subject to the utility's cut-off policy. Any customer whose draft is returned unpaid twice will be removed from the bank draft program. Customers wishing to revert to regular payment options may do so at any time by calling AUB and requesting to be removed from the bank draft program.

Upon receipt of this request, the customer will be removed from the program at the next available billing cycle.

11.0 Check Cashing

AUB will not cash checks as a matter of practice. All checks accepted by cashiers must be made payable to AUB. These instruments must be for the amount the customer wishes to pay. Checks may be made for more than the amount due, but the entire amount of the check must be applied to the customer's account. "Cash back" transactions will not be processed. AUB will not accept any third-party checks. These instruments will not be accepted for cash or for payment of utility bills. Customers with third-party checks will be advised to have the instrument negotiated at their bank. Employees of AUB may cash a total of \$100.00 in checks during a business day. Cashiers will only accept personal checks made payable to AUB from employees. Third-party checks will not be cashed. The only exception to the third party check exclusion mentioned above is checks made payable to an employee by the Athens Utilities Board Employees' Credit Union. The \$100.00 limit applies to credit union checks.

12.0 Record Retention

All records related to customer billing and payments will be maintained for at least five years.