

East Montpelier Internal Financial Controls

Control Activities

- **Revenue (Cash Receipts)**
 - Payment received over counter or by mail by Municipal Assistant
 - Payment is reviewed and coded by Municipal Assistant for entry into NEMRC CR module
 - Payment by ACH – State payments, credit/debit card or eCheck –received by Treasurer via email or mail
 - Payment is reviewed and coded for entry by Treasurer into NEMRC CR module
 - Payment entered by Treasurer
 - Treasurer files reports in vault and digitally ('Warrants/Deposits' on server)
 - Budget status report reviewed by Town Administrator
- **Accounts Payable**
 - Initiator of expense submits signed and coded receipt to Municipal Assistant acknowledging receipt of purchase
 - Invoice received by mail or email by Municipal Assistant and matched to signed receipt
 - Entry into NEMRC AP module by Municipal Assistant
 - Payments to be made on current warrant determined by Municipal Assistant
 - Payments reviewed by Treasurer prior to printing of checks
 - Warrant and checks printed by Municipal Assistant
 - Warrant and checks reviewed by Treasurer
 - Package reviewed by SB and warrant signed by SB
 - Checks signed by Treasurer and Municipal Assistant
 - Checks mailed by Municipal Assistant
 - Municipal Assistant files warrant and invoices in vault and digitally ('Warrants/Warrants' on server)
 - Budget status reviewed by town administrator and treasurer
- **Payroll**
 - Administrative head receives time and reimbursement sheets and verifies them
 - Administrative head forwards time and reimbursement sheets to Town Administrator
 - Town Administrator reviews and gives time sheets to Municipal Assistant
 - Payroll input data is reviewed by SB member
 - Municipal Assistant inputs time and reimbursement data into NEMRC PR module
 - Payroll is prepared by Municipal Assistant with warrant
 - SB member reviews and signs warrant
 - Municipal Assistant prepares payroll stubs, reports and ACH templates
 - Treasurer reviews and approves the ACH submission templates
 - Municipal Assistant prepares the payroll vendors checks and warrant
 - Treasurer reviews checks and warrant
 - SB member reviews and signs warrant
 - Checks signed by Treasurer and Municipal Assistant
 - Checks mailed by Municipal Assistant
 - Municipal Assistant files reports

- **GJEs**
 - Situation is identified by treasurer, town administrator or another person
 - Treasurer reviews the case and identifies the action to be taken
 - Treasurer presents the case to the town administrator for review and approval
 - Treasurer prepares and executes general journal entry
 - Treasurer files reports in vault and digitally ('Warrants/Journal Entries' on server)
- **Account Reconciliations (checking, savings and CDs)**
 - Statements are received electronically by the Treasurer
 - Interest and bank fees are posted by Treasurer and reviewed and signed off by Town Administrator
 - Each account is reconciled by the Treasurer using
 - 'EM Working File' (spreadsheet) for interest allocation
 - 'Combined Deposit Worksheet' for electronic payments
 - Treasurer files reconciliation paperwork in the vault and electronically
- **Other Reconciliations by Treasurer** (using spreadsheets in 'Warrants/Reconciliations')
 - Bank to NEMRC
 - Tax Admin to GL
 - Cash Drawer
- **Direct Debit**
 - Form received and processed by Treasurer
 - Prior to each due date, letter is sent by Treasurer to taxpayer for confirmation and to request any changes that may have occurred.
 - Changes are processed by Treasurer.
 - Pre-note file is generated by Treasurer
 - ACH Limit is adjusted for due date by Treasurer
 - ACH file is generated for due date by Treasurer
 - When due date arrives and amount requested shows in bank account, Treasurer processes the Direct Debit transactions, crediting each account (automated process in NEMRC)
- **Electronic Payments**
 - Remote payment
 - Email notification received by Treasurer and Town Clerk
 - Email put into 'Received' folder by Treasurer
 - Payment entered by Treasurer
 - Email moved to 'Entered int NEMRC' folder by Treasurer
 - Payment entered in 'Combined Deposit Worksheet' by Treasurer for use in reconciliation
 - Over-the-counter or phone payments
 - Municipal Assistant, Town Clerk or Treasurer receives request to process payment using credit card or eChk.
 - Opens 'Point-of-Sale Payments' application
 - Enters information regarding transaction and payment
 - Generates receipt for the payor with a copy for Treasurer
 - Treasurer enters in NEMRC
 - Treasurer enters in 'Combined Deposit Worksheet'