



Town of Porter

71 Main Street · Porter, ME 04068
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Cash Transaction Rounding Policy

Purpose

The purpose of this policy is to establish consistent procedures for handling cash transactions involving pennies when exact change is unavailable or when the municipality elects to reduce the use of one-cent coins in cash transactions. This policy applies only to payments made in cash and does not apply to payments made by check or credit card.

Policy

The Municipality shall round the total amount due on cash transactions to the nearest five cents (\$0.05) in accordance with the following guidelines:

Ending Amount Rounded Amount

\$0.01 or \$0.02 Rounded down to \$0.00

\$0.03 or \$0.04 Rounded up to \$0.05

\$0.06 or \$0.07 Rounded down to \$0.05

\$0.08 or \$0.09 Rounded up to \$0.10

Amounts ending in \$0.00 or \$0.05 shall remain unchanged.

Scope

This policy applies to:

- In-person cash payments received;
- Cash refunds issued by the municipality; and
- Transactions where exact penny exchange is impractical or unavailable.

This policy does not apply to:

- Property tax billing calculations;
- Payroll;
- Vendor payments;

Accounting and Recordkeeping

1. All invoices, bills, and accounting records shall continue to reflect the exact amount owed prior to rounding.
2. Any rounding difference shall be recorded as a cash over/short adjustment.

Effective Date: 8/19/24

Select Board John Lowry John Lowry

Select Board John O'Donnell John O'Donnell

Select Board Aaron Wedgewood Aaron Wedgewood