

F13. Cash Management and Handling Policy

Policy Objective

To provide a framework and processes for cash handling and cash security that to ensure the Shire meets its statutory financial obligations; and that any associated risk is minimised.

- Ensure that all cash amounts are collected, receipted, kept and deposited in a regular and timely manner,
- Provide a consistent framework for cash handling at all Shire offices and centres that staff can adopt,
- Ensure proper accountability and custodianship of cash resources during the process of collection, possession and banking,
- Minimise risk and fulfil all statutory financial obligations.

Policy Scope

This policy applies to all Shire of Dundas officers involved with the handling of cash at Shire designated sites and facilities. Officers whose work duties require that they are involved in cash handling process are required to know this Policy.

Policy Statement

- The Shire of Dundas will take all reasonable measures to provide a secure work environment that protects the safety and welfare of staff at designated sites and facilities.
- All cash must be kept secured in a locked drawer, locked petty cash box or safe; including when in transit. Where cash is kept in a locked petty cash tin, the cash tin is always to be stored out of sight in a locked cabinet or drawer.
- Borrowing or taking cash from petty cash, float or till for personal benefit is prohibited.
- Where cash are given to or taken over by relieving staff, the staff taking control of the cash must count the cash along with the designated officer in charge of that cash.

Definitions

Cash – Currency including notes and coins, electronic means (EFTPOS), cheques and credit card transactions.

Cash Handling – petty cash, manual electronic means of cashier (cash, cheque, eftpos and credit card) handling of cash, floats (special events, collection of money), banking preparation and reconciliation.

Banking – cash preparation and reconciliation for collection by the Shire’s authorised staff or agent for depositing with the bank.

Transportation of Cash - Carriage of cash by an authorised Shire Officer or an authorised agent in an Shire vehicle between:

- the designated Shire facility to another designated Shire facility, or
- between a designated Shire facility and the Bank.

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Designated Site/Facility – those sites throughout the Shire of Dundas that are involved in cash handling operations.

Cash Handling Procedures

Safety Measures:

Access to cash handling and storage areas should physically be restricted to the authorised personnel. Where possible, cash deposit preparation areas should be both physically and visually restricted to authorised personnel. All cash and equivalent items must be stored in a fireproof safe that is located in secure area and safes are to be locked at all times unless accessed by an authorised person. The amount of cash or equivalent held overnight or on the weekend are to be kept to a minimum. Excess funds held at centres are to be handed over to the Administration Office on regular basis.

The following procedures on cash handling are to be followed:

1. Cash must be kept securely in the Safe at all centres until they are handed over to the Shire's admin office.
2. The authorised staff at centres must record daily cash receipts and running balances on Daily cash reconciliation summary which is maintained in Microsoft Excel. Daily cash summary (in Excel format) must be e-mailed to the Senior Finance & Admin officer at the end of the day. Other information recorded on this summary includes an analysis of sales by category that would facilitate posting of sales/income to correct ledger accounts.
3. All excess cash as determined by the Senior Finance Officer and/or Manager Finance and Admin must be handed over to the Senior Finance & Admin Officer for safe keeping and banking.
4. A register must be maintained at all centres to document the amount handed over.
5. Every handover must be signed by both parties (handing over and receiving officer) and must state the amount handed over,
6. Cash handed over must be kept separately in the Main safe until banking,
7. Follow the same banking procedure for deposit of cash from Visiting Centre including receipting and reconciliation.

Transportation of Cash to the Bank:

The procedures to follow:

1. Manager Finance & Administration and/or Senior Finance & Administration Officer are responsible for the arrangements to transport cash from the Shire's Administration Office to the bank at Kalgoorlie or Esperance.
2. The preferred rostered banking day will be the last working day of the month.
3. The Senior Administration Officer and Officer assigned to accompany the Senior Administration Officer are the preferred officers to conduct banking.
4. Documentation (deposit slips, ledger posting, record keeping etc.) must be completed by or under the supervision of Senior Finance & Administration Officer for cash and equivalents (i.e. cheques) to be sent for banking.

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5. The amount to be transported should be kept to a minimum.
6. Only designated or authorised officers should transport cash.
7. Designated/authorised officers include senior officers, or those officers authorised by the CEO or Manager Finance & Administration to transport cash from the office to the bank at Kalgoorlie or Esperance.
8. Officers must give their written consent to transporting cash and acknowledge that they are willing to carry cash for banking in adherence with the above procedures
9. The officers carrying cash must take all reasonable steps to secure cash in their possession until banking.

Reconciliation

At the close of the day, cashiers must perform end of the day cash operations including closing, counting and balancing of physical cash with the report totals. The supervisor must review the daily cash balancing and sign off, taking possession of the collection for storage in safe.

The officer conducting daily bank reconciliation must ensure that cash banked appears correctly on the bank statement.

Any differences must be reported to the Senior Finance & Administration Officer or/and Manager Finance & Administration for further investigation.

All documentation including daily cash summaries, registers and bank reconciliation reports form part of the audit trail for cash handling/banking and must be kept as financial records.

Reporting Missing or Stolen Money

Regardless of the amount, missing or stolen money must be reported to immediately to the Manager of Finance and Administration and the Chief Executive Officer. The Chief Executive Officer will report the suspected and/or confirmed theft of money to the police.

Should a staff member identify or suspect that money has been stolen or is missing or is aware of suspicious activity they must advise their supervisor. The Manager of Finance and Administration will collate all required information and reports of the suspected theft and report to the Chief Executive Officer.

Where an Officer believes there is a conflict of interest in reporting to either the Chief Executive Officer or the Manager of Finance they should report their concerns to the Shire President.

Policy Reviewed October 2020