

NORTHERN PENINSULA AREA REGIONAL COUNCIL

Title: **Cash Handling Policy and Procedures**

Policy No: FIN 013

Adopted By: Council

Next Review Date:

Responsibility: Executive Manager Corporate Services

Document Number : TBA

Version History

Version Number	Date	Revised	Review	Resolution No
1	26/02/2019		2020	7.1-260219
2				

PURPOSE

To ensure that cash handling practices are consistent and transparent across NPARC's stores, enterprises and offices.

The cash handling procedure focuses on preventing the mishandling or loss of cash, and situations where charges of cash mishandling can be raised against Council staff. It is intended that the procedure will ensure consistency of cash handling practices amongst Council's properties.

SCOPE

This policy applies to all Council employees involved with the handling of cash at designated sites.

Council receives cash and cash equivalents from a variety of sources. All employees who receive funds on behalf of Council have a responsibility to ensure the funds are received, held, processed and deposited in a secure manner.

RATIONALE

Cash transactions are one of the most vulnerable areas of an organization. A good cash handling procedure can reduce the risk of theft from staff, threats to staff and robberies. The Council will implement the measures outlined below to safeguard and protect the staff involved in receipting and collection of monies and minimize the risks associated with cash handling.

AIMS

- Minimise risk and protect staff/responsible persons involved in receipting and collection of cash
- Provide a clear set of cash handling procedures to ensure all cash is receipted and recorded intact and in a timely manner
- Provide clear understanding of the process and ensure it aligns with Departmental policy and guidelines

IMPLEMENTATION

- All receipts are to be processed as quickly as practicable upon receiving the funds.
- Count cash out of sight of customers or passers-by, preferably in a secure office
- Access to cash handling and storage areas should be physically restricted to authorised personnel. Where possible, cash deposit preparation areas should be both physically and visually restricted to authorised personnel
- Segregation of duties will be maintained so that where possible no individual has the responsibility for more than one of the following:
 - receipting of cash and issuing receipts
 - preparing the banking
 - taking the monies to the bank
 - completion of the bank reconciliation
 - If this is not possible due to lack of available staff, "Segregation of Duties – Cash Checklist" will be implemented and signed off for audit purposes
- No personal cheques are to be cashed.
- Cash handlers must exercise due care when receipting cash to ensure that the customer provides the full amount of payment required; and payment method is legal tender.
- If a counterfeit note is detected while the customer is present, the note should be retained and an explanation should be given to the customer that the note is suspected of being counterfeit. The customer should be asked to pay the note with another form of payment
- A receipt must be created for the counterfeit note (including customer name, address, phone number, bill serial number) and the Police Department should be notified as soon as possible and a prompt pick up of the counterfeit note with the receipt should be arranged. If the note is not determined to be counterfeit, the note will be returned to the customer.
- Monies are to be kept in either a controlled access safe or cash drawer during the day. If funds are kept on the premises overnight, they must be locked in the secured safe
- Authorised cash handlers:
 - must exercise due care to ensure that an EFTPOS transaction has been successful by checking its "accepted" status. If the status is "declined" the transaction has not been successful and the goods or service in question should not be provided, and no receipt should be issued
 - must not provide EFTPOS "cash-out" service, as this indicates that there are excess funds on the premises and may pose a security risk
 - leave the empty cash register drawers open when the store is closed to indicate that there is no cash to steal.
- Council should have clear procedures in place for the use of registers and cash and strictly apply these procedures. For example, if policy suggests any variation of \$5 or more needs to be investigated, then investigate every variance of \$5 or more.
- A manager of a cash collection point should disclose details of any misappropriation, theft, or loss of cash to Finance immediately.

EVALUATION

The Council's Cash Handling Policy and Procedures is to be reviewed annually to confirm and enhance internal control procedures.

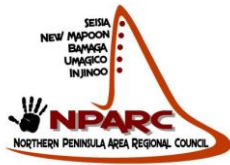
RESOLUTION

Reviewed by Council on the 26th February 2019 by Council Resolution 7.1-260219

Chief Executive Officer

26/02/2019

Date



APPENDIX A – SEGREGATION OF DUTIES - CASH CHECKLIST

Date checklist completed:

Name of person who completed checklist:

Position Title:

Company/Workplace:

SEGREGATION OF DUTIES				
	YES	NO	N/A	COMMENTS
Are responsibilities for collection and deposit preparation functions segregated from those for recording cash receipts and general ledger entries?				
Are responsibilities for cash receipts functions segregated from those for cash disbursements?				
Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger?				
Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions?				
Are responsibilities for entries in the cash receipt and disbursement records segregated from those for general ledger entries?				
Are responsibilities for preparing and approving bank account reconciliations segregated from those for other cash receipt or disbursement functions?				
Is access to cash management applications and functions within programs, limited to those who have a legitimate need?				
Are all bank transfers for cash independently reviewed and approved?				

APPENDIX B – HAZARD IDENTIFICATION CHECKLIST

This checklist will help you address the hazards associated with handling and transporting cash to minimise the risk, so far as is reasonably practicable, of incidents or injuries. You should involve your workers in filling out the checklist.

If you tick **NO** on the checklist you should take action to make your workplace safer.

Date checklist completed:

Name of person who completed checklist:

Position Title:

Company/Workplace:

HANDLING CASH		
Working with cash	YES	NO
Is there a safe process for counting, storing, handling and transferring cash?		
Are registers cleared often to maintain a small amount of cash?		
Are credit card and EFTPOS facilities offered to reduce the amount of cash taken?		
Are all workers trained in cash handling procedures?		
Are all workers trained in what to do in the event of a robbery or armed hold-up?		
Working during high risk times and working alone	YES	NO
Are safe processes in place for opening and closing times (and working at night)?		
Are rosters arranged so more than one person is working if possible?		
Is public access to your business restricted if workers are working alone?		
Are special safety procedures in place if workers are working alone?		
Do workers always have a way of quickly and easily contacting management?		
Are all workers trained in working alone procedures?		
Systems	YES	NO
Do you have a surveillance or security system?		
Do you have an electronic sensor system to alert workers to customers in the premises?		
Do workers have access to personal duress alarms or panic buttons?		
Have you publicised the safety and security procedures and systems you have in place?		
Design	YES	NO
Do you have bright internal and external lighting?		
Do workers have a safe area they can retreat to if a robbery or other threat occurs?		
Are counters and floor spaces designed to reduce the risk of physical violence?		
Have other design issues been considered e.g. solid exterior doors, internal mirrors, window bars or grills, secured rear access?		
TRANSPORTING CASH		
Procedures and training	YES	NO
Is banking done by more than one person and at different times?		
Are safety procedures in place if workers are working alone?		
Is the bank close to your premises?		
Is the route varied?		
Do workers have access to personal duress alarms?		
Are all workers trained in the procedures to carry cash safely?		
Are all workers trained in what to do during a robbery or armed hold-up?		
Have you publicised the safety and security procedures and systems you have in place?		