



WARRNAMBOOL
CITY COUNCIL

Cash Collection & Handling Policy

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INTRODUCTION

1.1. Purpose

To ensure that cash is completely and accurately identified, recorded and collected across all areas of the Warrnambool City Council (Council).

1.2. Scope

This policy applies to all of the cash handling processes of the Council.

1.3. Definitions

For the purpose of this document the term “monies” will include:

- Cash
- Cheques/Bank Cheques/Money Orders
- Credit Cards/EFTPOS

1.4. References

- Warrnambool City Council Collection and Handling Procedures
- Warrnambool City Council Parking Management Operational Procedures
- Warrnambool City Council Procurement Policy
- Warrnambool City Council Fraud Prevention and Control Policy

2. POLICY

The establishment of strong internal controls for cash collection is necessary to prevent mishandling of funds and to safeguard against loss.

Strong internal controls are also designed to protect employees from inappropriate charges of mishandling funds by defining his/her responsibilities in the cash handling process. In addition, strong internal controls should minimise the risk of staff being placed in dangerous situations such as theft of cash.

2.1. Cash & Cheques

All cash received must be recorded through a cash register:

- If a cash register is not available, a pre-numbered receipt form must be issued to the customer and a duplicate copy retained by the cash collection point.
- All cheques shall be made payable to the Council. No post dated or third party cheques are to be accepted. The Corporation shall not in any circumstances cash cheques.
- For such collections as car parking fees and laundry fees collected from Holiday Parks, internal controls will be specifically implemented, as per the Manager of Financial Services, to enable reconciliation of these.
- The cash received must be reconciled to the cash register or to the pre-numbered receipts daily or on a schedule as agreed with Financial Services.
- A bank deposit slip must be written for the total amount of the deposit.
- Cash funds must not be left unattended. Cash funds must be stored in a cash box within a safe or locked cabinet, to which access is restricted to preferably the cashier or person in a department acting as a cashier.
- Delivery of bank deposits to the bank must be done by the security firm contracted to the Council.

- Cash received must be deposited intact and expenses must not be paid from cash receipts.
- The daily banking reports at the Civic Centre, inclusive of the register of receipts, shall be reviewed by the Senior Customer Relations Officer or their delegate on a daily basis, and signed as correct. The daily banking details shall then be updated to the Council's financial system as soon as practicable.
- Locations with cash registers will be issued a cash float for the purpose of making change. These cash floats are to be kept for that purpose and are not to be used for personal loans, or for payment of expenses.
- Cash collections and deposits from the collection of parking fees will be performed in line with the procedures set out in the Council's Parking Management Operational Procedures.

2.2. Petty Cash Funds

- It is the responsibility of departments and staff who maintain petty cash funds to adhere to this policy.
- A petty cash fund may be applied for or increased by completing a payment request form and forwarding to Manager Financial Services, stating reasons for the request, and the amount requested.
- The petty cash fund must be kept in a safe or locked cabinet under the control of the responsible person. Only the responsible person may have access to the petty cash fund.
- The petty cash fund must at all times contain the authorized amount in cash and/or paid vouchers, the fund must be reconciled regularly to ensure this is the case. The funds may not be used for personal loans, cashing cheques, or for salaries.
- The person responsible for each petty cash fund should ensure that petty cash payments do not exceed the Council's stipulated \$100 maximum from their petty cash fund.
- Petty cash should be used as a convenient method to pay small claims and is not intended for larger payments or frequent payments, which should be paid through Purchasing/Accounts Payable.
- To replenish the petty cash fund, a Petty Cash Reimbursement Form must be completed. The form will show persons reimbursed, the amounts and the account numbers to be charged. All receipts must be attached with approvals from the signing authority for the account charged. Funds received from any source must not be added to the petty cash fund, but must be processed per the procedures for a cash collection point.

2.3. Electronic Funds Transfer

- Receipts from customers received via electronic funds transfer shall be uploaded to the Council's accounts receivable system in a timely manner, usually on the business day following receipt into the Council's bank account. The upload of electronic funds transfer details to the Council's financial system shall form part of the daily banking process.

2.4. Delegation of Authority

- Where practicable, the Council shall ensure that segregation of duties is maintained at all times for cash handling and other conflicting roles including cash, bank reconciliations, banking, and invoice and credit note processing.

2.5. Insurance of Cash Held and in Transit

- The Council shall ensure that adequate insurance is held to provide for loss of cash held and in transit.

2.6. Supporting Documentation

2.6.1. Forms and Records Management

Adequate records will be maintained to by the Council for a period of no less than 7 years.

3. GOVERNANCE

3.1. Owner

Manager Financial Services.

3.2. Review

The Manager Financial Services will review the policy for any necessary amendments no later than three years after its formulation or after the last review.

3.3. Compliance Responsibility

3.3.1. Management Executive Group (Chief Executive and Directors)

The Chief Executive & Directors are responsible for ensuring Managers, Supervisors, Employees, Contractors and Volunteers under their control comply with actions detailed in this policy (and related procedure).

3.3.2. Managers and Supervisors

Managers/Supervisors are responsible for ensuring employees under their direct control comply with the actions detailed in this policy (and related procedure).

3.3.3. All Employees

Comply with the actions detailed in this policy (and related procedure).

3.4. Charter of Human Rights Compliance

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007).

Warrnambool City Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee health and safety representatives in any workplace change that may affect the health and safety of any of its employees.