Rationale:
To ensure that cash handling practices are consistent and transparent across the school and to effectively monitor all cash transactions with regards to school based and trading operation transactions in line with DET guidelines for Management of School Trading Operations, Internal Control for Schools and the School Finance Manual.

Goals:
Cash transactions are one of the most vulnerable areas of the school. The school will implement the measures outlined below, in accordance with Department guidelines, to safeguard and protect the staff involved in receipting and collection of monies and minimise the risks associated with cash handling.

- To conduct all cash handling operations in an efficient, transparent, fully disclosed and effective manner in line with specific best practice internal controls, processes and procedures.
- To encourage electronic forms of payment to minimise cash transactions
- To segregate receipting, petty cash and banking duties
- To address any discrepancies immediately and apply zero tolerance to fraud
- To ensure records for cash transactions at every custody point are documented – ie. sign off from one point to another with appropriate receipts
- Minimise risk and protect staff/responsible persons involved in receipting and collection of cash

Implementation and Guidelines:

Whole school:
- No monies are to be kept in classrooms.
- All receipts are to be processed in CASES21 as quickly as practicable upon receiving the funds.
- Segregation of duties will be maintained so that where possible no individual has the responsibility for more than one of the following:
  o receipting of cash and issuing receipts
  o preparing the banking
  o taking the monies to the bank
  o completion of the bank reconciliation.
  o 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.
- Where monies are received over the counter at the office they will be entered into CASES21 and an official receipt issued immediately to the payer.
- Money collected away from the classroom or general office is to be handed to the office on the day of receipt unless circumstances make this impracticable.
- Money received away from the office (e.g. Canteen) is to be double counted at the point of collection and a control receipt issued.
- Two parents/staff will be designated as 'Responsible Persons' for all school fundraising or sanctioned events for the collection of monies. Form/s to be completed.
- No personal cheques are to be cashed.
- All cheques received by mail are to be entered in a remittance book, and all cheques, which have not already been crossed "not negotiable", should be crossed as soon as they are received.
- 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.
- CASES21 bank deposit slip to be printed and reconciled with total receipts for the day and with the total of cash / cheques to be banked.
- Funds are to be banked (choose one of daily (recommended)/twice per week/weekly) and at different times of the day.
- No monies are to be left on the premises over the school vacation periods.
- No receipt is to be altered. Where a mistake is made approval must be sought before reversing the incorrect receipt. Copies of the incorrect receipt should be retained with details of why it was reversed.
- Prior to a receipt batch being updated a receipt can be reprinted if necessary. The word REPRINT appears on the receipt. After the batch has been updated, if a copy of the receipt is requested the Family Statement, Family Matching Transactions Report or the Family Transaction History can be printed.
- Discrepancies that cannot be accounted for must be reported to the Principal.
- All cases of suspected or actual theft of money, fraud, misappropriation or corruption are to be reported to the Executive Director, Audit and Risk Division fraud.control@edumail.vic.gov.au

**Office collection**

- Issue official receipt (original to payer) immediately for all monies received from all sources (e.g. cash, cheques, Eftpos, etc.) and process through CASES21. Duplicate receipt should be retained – either physical receipt or CASES21 system copy.
- Primary students deposit their payments in a sealed envelope into the locked cash security box located in the student reception area. The cash security box is cleared several times during the day by the Accounts Receivable Officer, receipted and a copy of receipt returned to the student on the same day.
- Prior to banking – reconcile total receipts for the day with total of cash, manual credit card transactions and cheques to be banked. Settlement on the EFTPOS terminal/s should be performed at the same time as the batch is updated.

**Away from office collection**

- Two staff count money (where practical); prepare a control receipt for the total amount, original attached and duplicate with teacher (minimum check against class roll), coordinator, or volunteer (e.g. parent)
- Handover cash and control receipt to school office
- Office staff check list of collections and control receipt and reconcile with monies received and issue official receipt
- Prior to banking – reconcile total receipts for the day with total of cash and cheques to be banked.

**Banking**

- Prepare for banking by completing bank deposit slips in duplicate (using CASES21) and reconciling with total money received and the total amounts record through CASES21
- Bank daily (no money to be left on school premises overnight or over the weekend) Perform regular bank reconciliations.
Petty Cash

- Petty cash is distributed by the Accounts Receivable Officer and reconciled by Accounts Payable Officer as per DET Internal Control guidelines.

Better practice for physical cash security

- Store cash in a safe (one place for the school)
- Provide control access (custody of keys by authorised people)
- Do not issue/keep keys for common use

REFERENCES

Finance Manual for Victorian Government Schools
- Section 3 Risk Management
- Section 4 Internal Controls
- Section 10 Receivables Management and Cash Handling

Internal Controls for Victorian Government Schools
Cash handling Resources
- Cash Handling Best Practice Controls
- Cash Handling Authorised Form Fundraising Collection
- Cash Handling Authorised Form Ticket Sales Not at Office
- Cash Handling Authorised Form

Available from:

This policy will be reviewed as part of the school's annual review cycle.

Signed:

Paul Rumpff
School Council President