

# LIVINGSTON COUNTY CASH POLICY

RESOLUTION #2013-09-276

LIVINGSTON COUNTY, MICHIGAN

APPROVED: 9.16.13

## PURPOSE AND SCOPE

This policy governs the handling of County Cash, as directed by MCLA 48.35 et seq. empowering the County Treasurer to be responsible for County funds and MCLA 46.11 empowering the County Board of Commissioners to establish rules and regulations in reference to the management of the interest and business of the county. The term "County Cash" applies to currency, coins, checks, credit card payments, electronic payment media and other negotiable instruments payable in money to the County. All moneys which come into the hands of any County Officer or employee pursuant to this policy are public moneys and steps shall be taken to ensure its safekeeping. MCL 750.490.

## AUTHORITY IN COUNTY TREASURER

The County Treasurer is authorized to promulgate rules, subject to approval by the Board of Commissioners and prior written notification to the County Clerk and Finance Officer, for establishing the following procedures:

- \$ Receipt, handling and deposit by Elected Officials and employees of County Cash into the County Treasurer;
- \$ Method of documentation on all such transactions;
- \$ Regular reporting to the County Treasurer;
- \$ Certifying and rescinding qualification by the County Treasurer of all County employees who are authorized to receive or handle County moneys in the regular course of their employment or departmental activities;
- \$ Inspection of departmental cash records, including overages or shortages; and
- \$ Inspection of departmental practices and procedures in handling County Cash.

The County Treasurer may enforce these rules through on-site inspections; by rescinding qualification of any employee who fails to comply with the Rules as adopted and, in the event of noncompliance by a department or employee, requiring that payments be authorized by the County Treasurer, or deposited at his/her office.

## DUTIES OF COUNTY PERSONNEL

Any County officer or employee who receives County Cash in the normal scope and course of his/her duties, shall:

- A. County cash shall be:
  - 1. Balanced daily.
  - 2. A deposit prepared daily.
  - 3. Deposit delivered daily to County Treasurer or designated courier drop-off location.
- B. County cash shall be kept separate and apart from the individual's own money and shall not be commingled with the individual's own money, nor with the money of any other person, firm or corporation, pursuant to MCL 750.490.
- C. Comply with rules promulgated by the County Board of Commissioners for handling and processing of County Cash and for documentation and dissemination of records and with departmental internal procedures.
- D. Minimize manual paper transactions and recording/reporting. Increase electronic payment mechanisms such as wire transfers, credit and debit card payments and recording/reporting.
- E. Notify the employee's supervisor, County Financial Officer, and County Treasurer of any loss or theft of County money immediately upon discovery. Written notice shall be given to them no later than twenty-four (24) hours after discovery.
- F. Be subject to disciplinary action (determined by appropriate Elected Official or Department Head) up to and including termination for failure to comply with departmental policies, adopted Board rules, collective bargaining agreements and/or duties described in this policy. Misappropriation of funds may result in criminal prosecution.

### **QUALIFICATION OF RECEIVERS AND CASHIERS**

Only persons who are qualified shall receive and handle County Cash on a regular basis in the scope and course of their employment. Department Heads shall, in the first instance, designate and train employees in their department as to proper cash handling practices consistent with this policy. As a condition to qualification, the County Treasurer may require that the employee complete a course of instruction or training and/or pass an examination on the secure processing of money, consistent with the County Board adopted rules, procedures and applicable departmental rules.

### **DEPARTMENT DIRECTORS SHALL COMPLY WITH THE FOLLOWING PROCEDURES:**

- A. Assign the receiving of County Cash only to those persons who are qualified to perform those functions.
- B. Maintain a system of procedures, documentation and reporting on receipt handling and deposit of County funds consistent with the County Board of Commissioners' policy.
- C. Notify the County Financial Officer and County Treasurer of any continuing pattern of loss in excess of twenty dollars (\$20.00), or theft of County Cash immediately upon discovery. In the event of potential theft or other recurring type of irregularity, the County Prosecutor's Office shall be notified. Written notice shall be given no later than twenty-four hours after discovery.
- D. Allow the Treasurer or his/her designee to make on-site inspections and observe the processing of County Cash, and to make inspections of departmental collection records when it appears County policy may not be adhered to.

**STARTUP CASH / PETTY CASH:**

Departments who take payments from the public are in need of startup cash for their cash drawers. **Start up cash is “cash approved by the *County Treasurer* on a case by case basis for use as start-up funds in cash drawers for making change for customers. No expenses should come out of this cash and the amount approved should always be the amount in the drawer after balancing at the end of each day.”** To obtain or increase start up cash, the County Treasurer must be notified by the department in writing stating the need and reasons for the request. The disbursement issuing the cash is set up as an asset in the County’s books and tracked. It is the responsibility of the County Treasurer to annually confirm the start up cash with the departments. The County Treasurer has the authority to do onsite audits of the startup cash at any time.

Departments may need Petty Cash to make incidental purchases. While this practice is discouraged the County realizes there are extenuating circumstances that warrant this process. **Petty Cash is “cash approved the *County Treasurer* on a case by case basis for use to make incidental purchases where there is an immediate need and the purchase cannot be charged at the point of service. The total of the receipts in the drawer, plus the cash in the drawer, must always equal the total authorized Petty Cash Fund.”** To obtain or increase Petty Cash, the department must notify the County Treasurer in writing stating the need and reasons for the request. The expenditures cannot exceed the amount approved for the Petty Cash Fund. The expenditures cannot cause the budgeted line items to be exceeded. It is the responsibility of the County Treasurer to annually confirm the Petty Cash with the departments. The County Treasurer has the authority to do onsite audits of the Petty Cash at any time

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RESOLUTION ATTACHED HERETO