

Rural Municipality of Riding Mountain West

Box 110

Inglis, Manitoba R0J 0X0

Ph: 204-564-2589

Fax: 204-564-2643

Email: [info@rmwest.ca](mailto:info@rmwest.ca)

Website: [rmwest.ca](http://rmwest.ca)

Policy No. FIN 02	Reference: Operational Policy
Policy Title: Money Handling Policy	Pages: 4
Policy Effective: March 14, 2018	Adopted by Resolution No. 18-133
Policy Amended: October 15, 2019	Amended by Resolution No. 19-497

**PRINCIPLES:**

The Rural Municipality of Riding Mountain West strives to maintain a high level of public trust and confidence in the integrity, objectivity and impartiality of the municipality.

As our most valuable and significant resource, our employees are expected to maintain high standards of personal and professional conduct, demonstrate integrity and impartiality at all times, and perform their duties and responsibilities in a manner that recognizes a commitment to the well-being of the community.

**PREAMBLE:**

This policy operates in addition to other policies, regulations and administrative directives for employees, as may be determined from time to time by Council or the Chief Administrative Officer.

**DEFINITIONS:**

Cash – Canadian and US notes and coin.

Cash Overage/Shortage – situation in which the physical amount of cash on hand differs from the recorded amount of cash.

Dual Control – where two employees are equally accountable for the protection and handling of money.

Legal Tender – legally valid currency that may be offered in payment of goods and services.

Money – cash, cheques, money orders, debit and credit card transactions and other cash equivalents.

Money Handler – any employee entrusted with RM money, regardless of their job descriptions, for receiving, direct depositing, wiring, safeguarding and/or depositing money.

Money Handling – the receiving, direct depositing, wiring, safeguarding and depositing of all monies received by the RM.

Money Handling Location – a RM location that receives payments for services, goods or admissions from the general public.

Mutilated Notes – Canadian current showing signs of excessive damage from fire, water, missing pieces, or other forms of deterioration.

Personal Information – information as defined in Section 1 of *The Freedom of Information and Protection of Privacy Act* (FIPPA). Personal Information may include, but is not limited to contact information such as name, address, telephone number, financial information, such as banking information, amounts owing or paid; credit or debit card information.

## **SCOPE:**

This policy applies to all employees of the Municipality that handle money on behalf of the RM.

## **POLICY:**

Anyone who handles RM money has the responsibility to receive and process it according to this policy and its related procedures.

1. **Money Handling Locations:** Money handling locations must:
  - a) establish and document a Money Handling Operating Procedure for their area that meets or exceeds the minimum standards of this policy
  - b) provide a receipt of RM money transactions
  - c) safeguard money against loss, theft or misappropriation
  - d) balance and reconcile money transactions
  - e) deposit money promptly
  - f) maintain a safe and secure environment for employees
2. **Segregation of Duties:** Money handling duties are required to be completed by different money handlers. These duties include collecting money, depositing money, loading transactions to ledgers and reconciling records.
3. **Prompt Deposits of Money:** Prompt deposits of money to the RM's financial institution will ensure the safeguarding of the RM's money.
4. **Safeguarding Money:** Money received at each location shall be properly documented as received and adequately safeguarded at all times. All money must be protected immediately by using a cash drawer, safe or other secure place until deposited. A secure area for processing and safeguarding funds received must be provided and restricted to authorized employees.
5. **Balancing and Reconciliation:** The total amount of money collected shall be reconciled daily to supporting documents by Money Handlers and a direct supervisor will document his/her daily review and verification. Overages and shortages will be reviewed, recorded and acknowledged by a direct supervisor.

Original detail tapes and cash receipts of deposits (with their attachments) will be kept on site for one year, after which time they should be maintained in accordance with RM Records Retention and Disposal Policy.

6. **Tender Types:** The RM accepts the following tender types for payment; cash, cheques, drafts and money orders, debit cards and RM Gift Certificates. Mutilated currency is not acceptable tender.
7. **Penny Rounding Guidelines:**
- a) Sales – Rounding does not apply to payments made by debit cards, direct debit, cheque, etc. Rounding only applies to cash transactions where the customer does not provide pennies or the RM does not have pennies on hand for change as follows:
    - i. Price or accounts received owed by customer is divisible by five cents:  
No rounding required.
    - ii. Price or accounts receivable owed by customer not divisible by five cents:
      - The price or accounts receivable is rounded to the nearest nickel (i.e. if the amount ends in one, two, six or seven cents, round down; if the amount ends in three, four, eight or nine cents, round up)
      - The amount entered in the cash system is the non-rounded price or accounts receivable. This ensures the customer does not owe any amount as a result of rounding after the transaction is processed.
      - Due to rounding, the actual cash collected will be greater or less than the amount entered in the cash system. This difference will be treated as a cash overage or shortage.
  - b) Refunds – Cash refunds to customers are to be rounded up to the nearest nickel.
9. **Foreign Currency:**
- US cheques and bills for transactions under \$100 shall be accepted at par.
  - The US exchange rate will be applied to payments made in US funds that are over \$100.
  - Other foreign currencies are not acceptable tender for the RM.
  - The Bank of Canada US foreign exchange rate will be used.
10. **Privacy:** Any Personal Information accessed and used to process financial transactions will be handled in accordance with FIPPA and the RM's Customer Privacy Policy.
11. **Non-Compliance:** Failure to comply with the Money Handling Policy, and its related procedure, may result in disciplinary action up to and including termination of employment and/or criminal charges.

## **Roles and Responsibilities**

### **Council**

Approve the Money Handling Policy.

### **Chief Administrative Officer**

Conducts audits or investigations of cash controls deemed necessary at any time without notice.  
Provide advice to support areas with administering this policy and related procedures.

**Employees**

Comply with this policy and related procedures and processes.

All employees have the responsibility to report non-compliance of this policy to the CAO.

**Reference Material**

*The Freedom of Information and Protection of Privacy Act*