



CASH HANDLING POLICY

PURPOSE

This policy applies to all cash handling procedures and processes at Hallam Primary School. Hallam Primary School is committed to ensuring that cash handling practices are consistent and transparent across the school.

SCOPE

- Hallam PS recognises that cash transactions are potentially the most vulnerable risk management area.
- A major responsibility of School Council under the *Education and Training Reform Act 2006* is to “ensure that all monies coming into the hands of the Council are used for proper purposes”.
- Internal control may be described as the processes and procedures that are introduced by Hallam PS to ensure the effectiveness and efficiency of their operations.
- Internal control is therefore a broad framework of processes, procedures, systems and strategies that Hallam PS puts in place to ensure that risk is minimised and staff/responsible persons involved in receipting and collection of cash are protected.

AIMS

- **Validity**
To ensure that all financial transactions are recorded, that they are soundly supported by appropriate documentation and that the accounting records report the true financial position of the school in a clear manner. This ensures they can be relied upon with confidence to provide a basis for informed financial decision making.
- **Authorisation**
To ensure that transactions are properly authorised and processed by persons acting within their designated authority.
- **Completeness and Accuracy**
To give assurance that the financial records include all transactions and that these transactions can be completely verified. That nothing is omitted either purposely or by mistake and that the financial reports represent the whole picture of the school's financial position.
- **Timeliness**
To ensure that all transactions are recorded as close as practicable to the time of occurrence, so that at all times the accounting records reflect the actual financial situation and can be verified.
- **Security**
To provide assurance of the safe keeping of assets and records.
- **Physical Existence**
To ensure that all assets are recorded on the asset register.

POLICY

Roles and responsibilities of staff

At Hallam Primary School our teachers (collection only), Admin Staff and Business Manager are responsible for managing cash at our school. No monies are to be kept in classrooms.

- **Any money will be processed in CASES21 every day.**
- Teachers are required to collect money (enclosed in envelopes) from students, record the payment against the relevant student in a designated column in the Cash Book, place envelopes in the class red Cash Book folder and forward it to the Administration Office **before 9:30am** each morning.
- Only use one column per excursion and write the excursion name, with cost underneath, at the top of the column.
- Date and use the codes: C = Cash / Cheque / E = EFTPOS / CSEF. **Particular care needs to be taken when recording payments.**
- Excursion, camp and fundraising money is to be recorded in the Red Cash Book folder.
- **Receipts returned in Cash Books must be given to students on a daily basis.**
- Monies are to be kept in either a controlled access safe or cash drawer during the day.
- Leaving money in the classroom is potential high risk. Money given to staff at the end of the day must be locked in the safe storage at the Administration Office. Please speak to the Business Manager/Principal.

Fundraising

Two staff members will be designated as 'Responsible Persons' for all school fundraising events or other approved events where monies may be collected. A 'Cash Handling Authorisation Form' will be signed off by responsible persons to record amount received.

Receipts

- Receipts should be entered onto CASES21 when received and original receipt issued stating the purpose of the remittance. In circumstances where this is not possible, a manual receipt can be issued. The receipt book should be reconciled to the CASES21 transactions when entered to ensure all receipts received by the school are banked.
- No receipt should be altered and no duplicate receipts issued. If an error has been made the receipt should be cancelled and the original of the incorrect receipt attached to the duplicate copy. If a duplicate receipt is requested, the receipt of money should be acknowledged by a typed note on school letterhead, (General Ledger receipts) or by providing a Family or Sundry Debtor Statement showing the receipt of the money.
- Personal cheques are not to be cashed under any circumstances.
- 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.
- Discrepancies that cannot be accounted for must be reported to the Principal.
- Money received at points other than the school administration office are to be receipted in one of three methods:
- **Cash Book Sheet (in red cash book folder):** cash and class list reconciled and submitted to the office by the class teacher.
- **Fundraising Collection:** money counted by two people (where practicable) and a control receipt issued. Funds then submitted to the general office for reconciliation and banking.
- **Electronic receipts, manual receipts or EFTPOS receipts:** individual official receipt issued. Receipts and cash submitted to general office for reconciliation and banking.

Where possible, segregation of duties will be maintained so that no individual will be responsible 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

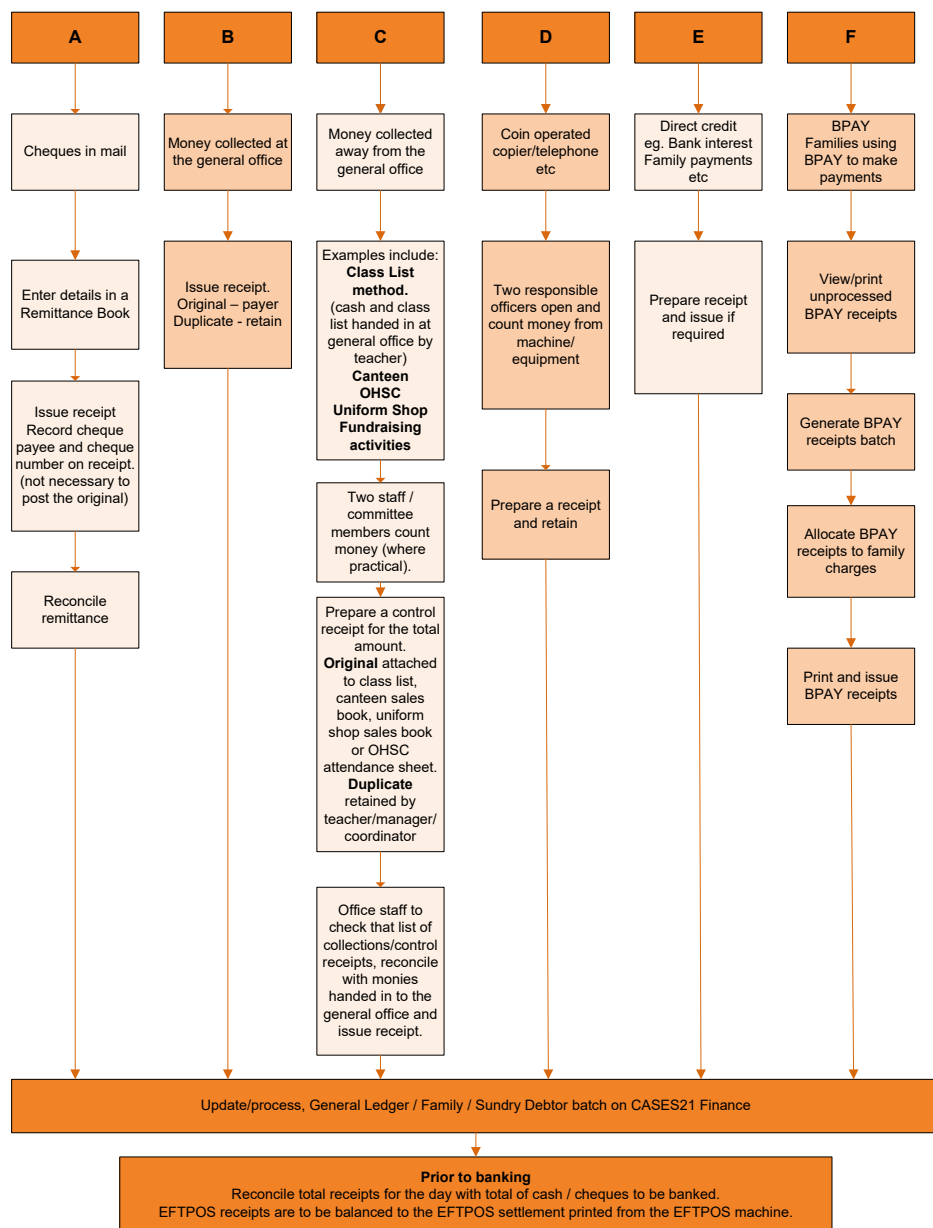
If this is not possible due to lack of available staff, the Department’s “Segregation of Duties – Cash Checklist” will be implemented and signed off for audit purposes.

Receipting Process

There are six principal ways that schools collect money which are identified from A to F at the top of the flowchart.

Each receipting method requires verification and endorsement for accurate processing and tracking purposes and confirms proper internal controls are in place. Schools can use manual, mechanical or electronic methods for issuing receipts, so long as effective controls are in operation.

Flowchart 2 – Receipting



Better practice for cash collection, receipting & banking 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 Eftpos receipts should be retained – either physical receipt or CASES21 system copy.
- Prior to banking: reconcile total receipts for the day with total cash, manual credit card transactions and cheques to be banked. In addition, settlement on the EFTPOS terminal/s should be performed at the same time as the batch is updated.
- 'Cash Handling Authorisation Form' confirming cash batch amount is to be signed by 2 responsible persons.

Away from office collection

- Cash collected in the classroom will be recorded by the Teacher in the red 'cashbook' folder.
- 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 the school office
- Office staff check lists of collections and control receipts and reconcile with monies received and issue official receipt. 'Cash Handling Authorisation Form' confirming cash batch amount is to be signed by 2 responsible persons.
- Prior to banking – reconcile total receipts for the day with total of cash and cheques (and electronic lodgements) to be banked.

Banking

All cash, cheques, etc. must be banked intact and where possible, banking carried out daily to avoid having money on the school premises overnight. A Deposit Only card is used to access the cash deposit machines. Money kept on the premises overnight must be locked in a secure location and checked regularly by more than one person. Internal control can be further enhanced by ensuring weekly banking does not occur on the same day each week.

Under no circumstances should money be left on school premises during vacation periods.

The bank deposit slips, which are to be prepared through CASES21 and printed in duplicate, should be compared with:

- the total amount of money received and prepared for banking
- the signed 'Cash Handling Authorisation Form'; and
- the total amounts recorded through CASES21.

This will provide an additional check on the accuracy and completeness of the deposit.

Should any cheque be dishonoured, communication with the drawer of the cheque should be made immediately.

✓	Banking Checklist
	All cash and cheques collected are banked intact daily by person other than the one processing the collection
	Deposit Only card
	Bank deposit slip prepared
	Responsible Persons sign 'Cash Handling Authorisation Form'
	Cash stored in safe with controlled access until it is banked
	Money not left on school premises during vacation periods
	Dishonoured cheques are followed up promptly.

Better practice for physical cash security

- Store cash in a locked safe (one place for the school)
- Provide control access (custody of keys by authorised people)
- Do not issue/keep keys for common use
- Update passwords regularly and do not share with others.

Procedure for fraud and theft reporting

All cases of suspected or actual theft of money, fraud, misappropriations or corruption are to be reported to: Executive Director, Audit and Risk, Division, Department of Education and Training by email addressed to: fraud.control@education.vic.gov.au

Phone: (03) 9637 3158

FURTHER INFORMATION AND RESOURCES

- **Finance Manual for Victorian Government Schools**
 - [Section 3 Risk Management](#)
 - [Section 4 Internal Controls](#)
 - [Section 10 Receivables Management and Cash Handling](#)

EVALUATION

This policy will be reviewed annually by School Council to confirm/enhance internal control procedures. Proposed amendments to this policy will be discussed with Administration Staff, Leadership Team & School Council

POLICY REVIEW AND APPROVAL

Approved By	Hallam PS Council
Approval Date	August 2026
Responsible for Review	Principal / Business Manager / School Council
Review Date	July 2027
References	Finance Manual – Financial Management for Schools: Section 10 Receivables Management and Cash Handling education.vic.gov.au Cash Handling Policy.pdf