

	<b>Abbotsford Police Department</b> <b>Policy and Procedure</b>	
	<b>Administration</b>	<b>Financial Management</b>
	<b>I.D.070</b>	<b>Cash Funds</b>

## TABLE OF CONTENTS

PURPOSE.....	1
DEFINITIONS.....	1
SCOPE .....	2
POLICY .....	2
General .....	2
Responsibility.....	3
Security and Authorization.....	3
Audit.....	3
Exclusions .....	4

## PURPOSE

- (1) To outline the circumstances under which Cash will be used, and to describe the controls related to the stewardship of Cash Funds.

## DEFINITIONS

- (2) **Cash** – for the purposes of this policy, legal tender in the form of banknotes and coins.
- (3) **Cash Custodian** - an individual responsible for disbursing Cash from a Cash Fund and maintaining the Cash Log.
- (4) **Cash Log** – a record of all transactions and activity occurring within a Cash fund, including but not limited to disbursements, advances and replenishment.
- (5) **Cash Voucher** - an invoice, cash register slip or other qualifying evidence of an amount reimbursed from a Cash fund.

- (6) [REDACTED]
- (7) **Finance Central Fund** – a Cash fund maintained by the Finance and Budget Branch for the purposes of reimbursing qualifying expenses and the replenishment of petty Cash funds [REDACTED]
- (8) **Float** - the designated balance of an AbbyPD Cash fund, which at any given point in time is the total of the Cash and accumulated Cash Vouchers on hand.
- (9) **Reconciliation** - the process of comparing actual funds on hand against the amounts indicated in the Cash Log and determining the reason for any discrepancies.

**SCOPE**

- (10) This policy applies to all individuals maintaining Cash funds, individuals accessing Cash funds, and the Finance and Budget Branch.

**POLICY**

**GENERAL**

- (11) The Abbotsford Police Department (AbbyPD) maintains three types of Cash funds:
  - (a) the Finance Central Fund;
  - (b) petty Cash funds; and
  - (c) [REDACTED]
- (12) Cash will be used only when employees are required to make reasonable Cash purchases on behalf of the AbbyPD:
  - (a) of \$50 or less; or
  - (b) for purchases greater than \$50, when Cash is the only practical means of payment, [REDACTED]
- (13) Employees with Cash handling responsibilities will follow Cash funds procedures, as updated from time to time by the Finance and Budget Branch.

**RESPONSIBILITY**

- (14) All operating departments are responsible for ensuring that expenditures made on behalf of AbbyPD represent good value and are necessary business expenses.
- (15) The Cash Custodian is responsible for:
  - (a) validating that the request for Cash is for company purposes;
  - (b) ensuring receipts and/or other required documentation is obtained and retained for each Cash transaction;
  - (c) maintaining a record of all Cash transactions in the appropriate Cash Log; and
  - (d) replenishing Float amounts on a timely basis.
- (16) The Finance and Budget Director or delegate is responsible for ensuring that Cash Logs are reconciled to actual Cash on hand.

**SECURITY AND AUTHORIZATION**

- (17) [REDACTED]
- (18) Replenishment of the Finance Central Fund requires the authorization and signature of both the Director of Finance and of a Deputy Chief Constable.
- (19) Disbursements will be authorized by the individuals noted, and to the levels indicated, in Cash funds procedures, as updated from time to time by the Finance and Budget Branch.

**AUDIT**

- (20) The Director, Finance and Budget Branch, or designate (other than a Finance Central Fund Custodian) will audit each of the Department’s Cash funds a minimum of once each year, to verify that the requirements of this policy are being met, and that the amounts reported as being disbursed from the Finance Central Fund to petty Cash funds [REDACTED], and the balances in each of these funds, are reflected accurately in the Cash Log books. A record of this audit will be documented and filed in the records system.
- (21) [REDACTED]

- (22) Material discrepancies in Cash fund Reconciliations will be investigated by the Director of Finance and Budget, and will be reported to the Deputy Chief Constable, Administration.

**EXCLUSIONS**

- (23) Cash will not be used to provide employees with advances related to travel, training and conferences, unless no other method of payment is practical.

*The above constitutes Policy approved by the Police Board on February 22, 2023*