



Cash Management Policy

Purpose

The Muhlenberg Community Library Cash Management Policy is meant to provide direction for the collection, custody, and reporting of cash and cash equivalents, and outline specific cash handling requirements for staff and board. These strong internal controls are designed to safeguard and protect our Library.

Policy

The Muhlenberg Community Library Board Treasurer and/or Library Director are authorized to establish rules and procedures for the receipt, handling, and deposits of Library funds by staff or board members. Both the Library Director and the Library Board Treasurer may conduct periodic reviews of cash handling procedures. If these practices are not followed, it is the responsibility of the Library Director or the Library Board Treasurer to bring this to the attention to the Muhlenberg Library Board of Trustees. It is the responsibility of the Board to rescind authorizations to any trustee who fails to comply with established rules or policies, and it is the responsibility of the Library Director to rescind authorizations to any employee who fails to comply with established rules or policies.

Collection

All incoming cash or cash equivalents must:

- Be accounted for when received, with the exception of donation jars, which staff will account for when emptied and totaled.
- Be added to the cash register after each transaction, and before the cash handler leaves their workstation.
- Never be left unattended or accessible to unauthorized persons.
- Be in a secure location by the end of each shift.
- Be kept to a minimum at all times. Excess funds should be stored in a secure location or deposited by authorized staff or board trustee as soon as possible.
- Be counted and handled out of sight of the public when reconciling.
- Be reconciled monthly by the Library Director and Bookkeeper.

Custody

Below are the cash handling responsibilities:

- The Library staff, Bookkeeper, and/or Board of Trustees are responsible for the care and liability of all cash and cash equivalents received by or for the Library until deposit by authorized personnel.
- The Library Board Treasurer and the Library Director provide for the safekeeping and timely, accurate deposit of cash and cash equivalents.
- The Library Board Treasurer and the Library Director are responsible for assigning authorized personnel to receive cash or cash equivalents for reconciling and/or deposit.



- The Library Board is responsible for the adequate separation of duties and checks and balances, which include cash collecting, reconciling, depositing and reporting.
- It is the responsibility of the Library Director to inform the Library Board Treasurer of theft or loss immediately upon discovery.
- It is the responsibility of the board to approve, and the Library Director to allow on-site inspections of cash handling procedures by the Treasurer or designated party.

Responsibilities of Cash Handlers

- Cash Handlers must be authorized by the Board and/or Library Director.
- Cash Handlers are responsible for the integrity of the cash or cash equivalents in their possession.
- Cash Handlers may be assigned the duty of depositing cash or cash equivalents for the Library in a timely manner.
- Under no circumstances should a Cash Handler deposit cash or cash equivalents with their own personal funds.
- Cash Handlers must comply with cash handling operations according to policies outlined in this document.

Reporting

- All receipts and reports of cash handled will be made available for the audit, and stored for seven years, as required by the State of Pennsylvania.

Requesting

- In order to request cash for any reason (such as, event spare change and event financial), request must be submitted in writing to the Library Director ideally one month in advance. Reimbursements must also be submitted in writing to the Library Director but will be made via check.