

**AN ORDINANCE AUTHORIZING THE ADOPTION OF A VILLAGE CASH DRAWER ACCOUNTS POLICY**

**WHEREAS**, Brewster Village Council desires to adopt a Cash Drawer Accounts Policy for the departmental operations of the Village.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF BREWSTER, THAT:**

**SECTION 1:** Brewster Village Council shall adopt a Cash Drawer Accounts Policy as defined below and shall add a Cash Drawer Accounts Policy to the departmental operations of the Village as follows:

**Cash Drawer Accounts Policy**

- This policy establishes procedures and guidelines for cash drawer accounts.
- Cash control is necessary and must ensure that the Village of Brewster is fulfilling its fiduciary responsibility.

**A. DEFINITIONS**

**1. Cash Drawer Account:** A set amount of money used by a department to make change for customers who are purchasing goods or services. The selling of such goods or services must have been previously approved through appropriate channels.

**2. Fiduciary:** The Clerk-Treasurer is the fiduciary for all cash drawer accounts. The fiduciary (Clerk-Treasurer) shall periodically audit each cash drawer account. The fiduciary (Clerk-Treasurer) is, in addition to the custodian, responsible for insuring that the accounts are physically secure, may conduct periodic unannounced cash counts, and ultimately has the oversight responsibility for the account and will oversee resolution of any unexplained discrepancies.

**3. Custodian:** The department employee who is appointed to operate and maintain the fund, is responsible for the day-to-day operation and maintenance of the account, and should report any unusual activity to Clerk-Treasurer.

The duties of the fund custodian are:

- Maintain and balance the fund(s)
- Report any unusual activity, or change in conditions
- Physically secure the account. Funds should be kept in a secure location away from high traffic areas. The preferred location is a safe, but if not possible a locked drawer that is accessed only by the custodian or back-up custodian.

**4. Back-up Custodian:** The person/position who is designated back-up custodian duties and responsibilities are the same as the custodian’s when he or she is unavailable.

**B. ESTABLISHMENT OF CASH DRAWER ACCOUNTS**

**1.** A request must be sent to the Clerk-Treasurer’s Office.

**2.** The person(s) who will serve as custodian must be designated in advance of the account being established.

**3.** Agreed physical safeguards must be in place before the fund is released to the department.

**4.** Once the above has been completed, a resolution shall be submitted to Council for approval.

**5.** If the change drawer account is approved by Council, the account will be established by the Clerk-Treasurer’s Office.

**C. OPERATION OF CASH DRAWER ACCOUNTS**

**1.** The cash in these accounts should remain at the established amount at all times.

**2.** The fund should be balanced each day of use, and records kept.

Balancing the cash drawer shall include:

- Count the cash
- Calculate total amount of payments that have been made
- The total of the cash and/or check payments that have been made less amount deposited in the Village account should equal the established total fund balance. Separate totals for cash and checks should be made

**3. Cash Drawer Shortages and Overages**

If a shortage or overage is discovered in the daily balancing, the custodian should immediately perform a recount

- If the difference (shortage or overage) persists, another employee should immediately perform a recount in the custodian’s presence.
- If the difference (shortage or overage) persists, the difference (shortage or overage) should be recorded as follows:

- a) the difference (shortage or overage) should be identified by “cashier(s)”
- b) a log should be maintained identifying the reason for the difference (shortage or overage) as an exception
- c) the difference (shortage or overage) exception shall be recorded in the appropriate account(s)
- d) the Clerk-Treasurer shall regularly review the log
- e) any recurring exceptions shall be reviewed and discussed with the Clerk-Treasurer

4. This fund should never be used for making purchases, cashing checks, giving loans, or for travel advances.

5. The custodian has sole responsibility for this fund. Any unexplained discrepancies will be resolved through the custodian.

**D. ACCOUNT SEGREGATION**

Each petty cash account and each change drawer account should be segregated from all other cash accounts. These accounts are intended to stand alone; do not combine them with other cash.

**E. CHANGING THE CUSTODIAN AND/OR BACKUP CUSTODIAN**

When an employee responsible for a cash drawer account leaves, the account will be audited/balanced, and an updated Custodian and/or Back-up Custodian will be designated

**SECTION 2:** The above policy replaces any previous version of this policy and supersedes any current policy which may be in conflict with this policy.

**SECTION 3:** This ordinance shall be in full force and effect at the earliest date provided by law.

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Mayor Michael E. Schwab

ATTEST:

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Village Clerk Treasurer K. Kris King  
CERTIFICATE

I, K. Kris King, hereby certify that the above is a true copy of an ordinance passed at a regular meeting of the Brewster Village Council held on September 3, 2019

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Clerk K. Kris King

I, K. Kris King, Clerk of the Council of the Village of Brewster, State of Ohio, do hereby certify that there is no newspaper printed in said municipality and that publication of the foregoing ordinance was duly made by posting true copies thereof at five of the most public places in said corporation as determined by Council as follows: Office of Brewster Utilities, Belloni’s IGA, Brewster Federal Credit Union, Post Office and Brewster Laundromat.

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Clerk K. Kris King