

January 30, 2025



EXECUTIVE ORDER 2025-01

City of Oak Grove

Office of the Mayor

Executive Order-Internal Policy on Cash Handling Procedures for the City of Oak Grove, Kentucky

I, Mayor Jacqueline Oliver, hereby issue the following Executive Order:

Purpose:

The purpose of this Executive Order is to incorporate cash handling procedures to ensure financial integrity, protecting public funds, and ensuring city operations are ran smoothly and ethically.

Implementation:

1. Responsibilities of Department Heads: Department heads are tasked with ensuring that these procedures (attached herein) are distributed to their staff and that the staff adhere to them.

Effective Date:

This policy shall take effect immediately.

The referenced procedures are attached to this order

Signed,

Mayor: *Jacqueline Oliver*

Date: 01/30/2025

Attest:

City Clerk: *[Signature]*

Date: 01/30/2025



City of Oak Grove, KY

CASH HANDLING PROCEDURES

(Revised January 01, 2025)

MORNING ROUTINE:

- I) Upon first arriving in the morning, the vault room is accessed by one of four designated individuals (*noted below), generally the Utility Office Manager, and the daily operating cash drawers are removed from the vault and dispersed to the appropriate cashier.
*VAULT ACCESS EMPLOYEE(s):
Mayor, City Clerk, Water Dept. Supervisor, Accounting Support Specialist
- II) Once each cash drawer has been by the designated cashier, the cashier(s) will then perform a preliminary cash drawer count (BEFORE daily operations), to ensure that the correct start-up amount is present and matches the count from the previous close of business.
- III) After verifying the start-up cash count is correct, the cashier may then begin daily operations.

**** NOTE: If the start-up count in any cashier's drawer is different from the previous countdown (Over / Short), it is the cashier's responsibility to notify their supervisor of the discrepancy, immediately.**

DAILY OPERATIONS (INVOICES, PAYMENTS, DEPOSITS):

- I) When a customer first arrives to conduct business of any kind, an invoice is required to receive payment within the software. This is true for all payment types, whether utilities, taxes, fines, or fees. If an invoice does not exist, one is created by the Accounting Support Specialist.
- II) Next, the customer will transact payment with the cashier, and the cashier will receive payment into the software. It is the cashier's responsibility to verify and enter the correct payment amount; while also making sure the payment is applied to the correct customer account #.
- III) Cash payments should be correctly noted as "Cash" to ensure daily reporting accuracy.
- IV) At the end of daily business, the cashier(s) will then begin their End-of-Day routine.

**** NOTE: A daily transaction report should be generated for each operating cashier, each day. This report will accompany the cash countdown log sheet to reconcile the cash deposit and note discrepancies.**

END-OF-DAY ROUTINE:

- I) Upon closing their cash drawer(s) for the End-of-Day routine, each cashier will independently close their daily batch in the payment software system and run a closing report. In addition, each cashier will also independently run a settlement report for Pennyrile Electric and close their drawer for that day's business.
- II) Next, each cashier will independently count their own cash drawer and itemize the amount of total cash/coin collected on the Daily Cash Drawer Log Sheet (new version attached). The cashier will then deduct the amount of cash transactions from the software and settlement statement and prepare those amounts for their deposit batch.
- III) For dual-control purposes, this count is performed again by another designated individual, to either verify or dispute the initial cashier's countdown. Once the cash deposit has been deducted, the cashier should be in balance with their original start-up amount of \$200.00. *(If a difference exists for any reason, count again, then see OVER/SHORT Instructions.)
- IV) Once the total cash count has been two-party verified, both parties will sign the Daily Cash Drawer Log Sheet, indicating any overage or shortage as needed. The cashier will then close their cash drawer and place it in the vault for the next day's business.
- V) The deposit amount is also separated, placed in the bank deposit bag, and locked back in the vault. It is then processed on the next day's business by the Accounting Support Specialist.

**** NOTE: If any cashier was OVER / SHORT on their cash countdown log sheet, see instructions.**

CASH OVER/SHORT INSTRUCTIONS:

- I) If any cashier is OVER / SHORT in their cash drawer, this discrepancy is to be noted on their cash countdown log sheet and signed by both the operating cashier, and the second party that verified the count and the discrepancy.
- II) If OVER, the difference is to be deposited at the bank with the rest of the daily cash deposit on the next business day. When/If we can determine the proper recipient, we will address the issuance of any refund on a case-by-case basis, per Finance Director discretion.
- III) If SHORT, the difference is to be noted on the cash countdown log sheet and signed by both parties. In this instance, the correct start-up amount is left remaining in the cash drawer, and the amount of difference is deducted from the daily deposit amount and noted accordingly.

**** NOTE: Cash drawer(s) are NOT to be force-balanced for ANY reason; over or short. This action is considered highly unethical and will be strictly enforced with punitive actions when/if discovered.**

***** Cashier(s) should strive to be in balance every day, although mistakes do happen.**

Cashier(s) will be granted (3) allowances per month less than +/- \$20.00, without punitive action.

Any Overage/Shortage more than +/- \$20.00 will be investigated immediately, pending action.

Any more than (3) Overages/Shortages per month will be investigated immediately.



CITY OF OAK GROVE, KY

**DAILY CASH DRAWER
LOG SHEET**

Date: _____

Drawer Operator Name: _____

Cash Drawer # _____

A.M. CASH COUNT

	Denom.	Qty.			Totals
Cash	\$100.00	x	=	\$	_____
	\$50.00	x	=	\$	_____
	\$20.00	x	=	\$	_____
	\$10.00	x	=	\$	_____
	\$5.00	x	=	\$	_____
	\$1.00	x	=	\$	_____
			TTL =	\$	_____

P.M. CASH COUNT

	Denom.	Qty.			Totals
Cash	\$100.00	x	=	\$	_____
	\$50.00	x	=	\$	_____
	\$20.00	x	=	\$	_____
	\$10.00	x	=	\$	_____
	\$5.00	x	=	\$	_____
	\$1.00	x	=	\$	_____
			TTL =	\$	_____

	Denom.	Qty.			Totals
Coin	\$1.00	x	=	\$	_____
	\$0.50	x	=	\$	_____
	\$0.25	x	=	\$	_____
	\$0.10	x	=	\$	_____
	\$0.05	x	=	\$	_____
	\$0.01	x	=	\$	_____
			TTL =	\$	_____

	Denom.	Qty.			Totals
Coin	\$1.00	x	=	\$	_____
	\$0.50	x	=	\$	_____
	\$0.25	x	=	\$	_____
	\$0.10	x	=	\$	_____
	\$0.05	x	=	\$	_____
	\$0.01	x	=	\$	_____
			TTL =	\$	_____

TOTAL START-UP CASH \$ _____

**Start-up cash = \$200.00 (should match previous day's count)*

Cash OVER / SHORT \$ _____

Counted By: _____

Drawer Operator Signature / Date

TOTAL DAILY CASH TRANSACTIONS \$ _____

** Includes Start-up Cash & ALL Cash collections for deposit.*

LESS: Daily Cash Transactions \$ - _____

** Should match daily cash reported from Software for deposit.*

LESS: Pennyrite Cash Payments \$ - _____

** Should match daily cash settlement from Pennyrite for deposit.*

TOTAL START-UP CASH \$ _____

**Start-up cash = \$200.00 (after cash deposits are deducted)*

Cash OVER / SHORT \$ _____

Counted By: _____

Drawer Operator Signature / Date

Verified By: _____

Drawer Operator Signature / Date