
MATATIELE LOCAL MUNICIPALITY

CASH SHORTAGE POLICY



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1. OBJECTIVE

The objective of the policy is to describe the steps to be taken when there is a cash shortage subsequent to a cashing up procedure at any cash taking point of the municipality.

2. PRINCIPLES

2.1 The cash collected by a cashier must correlate to the substantiating documentation issued by such cashier for the period during which such cashier collected monies.

2.2 A cashier will be held responsible for any shortage of cash, and has to correct such immediately.

2.3 The Chief Financial Officer can authorise recovery of any shortfall over a period of time.

3. GUIDELINES

The Chief Financial Officer can only authorise recovery of a cash shortfall under the following circumstances:

3.1. Immediate recovery of the shortfall is not possible

3.2. The conclusion of an Acknowledgement of Debt by the responsible cashier;

3.3. Inclusion of an agreement for repayment in such Acknowledgement of Debt, in writing, detailing the terms and conditions for such repayment, which should provide for a repayment period not exceeding three (3) months; and

3.4. A cashier only be afforded the opportunity once to repay any shortfall in terms of an Acknowledgement of Debt, with any subsequent shortfalls be either recovered immediately or action be instituted

4. INFORMATION

This policy must be brought to the attention of all cashiers in the employ of the municipality, who must acknowledge in writing the conditions included therein.