

Cash and Checks Handling Standard Operating Procedure

DESCRIPTION

The following document provides guidelines to Mercy Hands staff for handling of cash and checks.

RESPONSIBILITY

It is the responsibility of the Director of Finance to ensure that all Mercy Hands staff, at all levels and locations, follow these guidelines. The Director of Finance has the authority to enforce these guidelines and to design appropriate monitoring and evaluation mechanisms.

GUIDELINES

- 1- **Cash Withdrawal:** The authorized personnel to sign on Cash Withdrawal Request are: Executive Director (or his/her authorized representative), Director of Finance, the Requester, and the Receiver.

- 2- **Withdrawal of Cash from Bank:**
 - a. As authorized by the Board, only the Executive Director can assign - or remove - signatories to sign the checks of the bank and the letter of transfers through the bank. This is done by issuing an official letter addressed to the bank.
 - b. The list of all authorized personnel and bank account are kept with the Director of Finance.

3- Advanced Payment:

- a. The requester (PM) fills out the Money Request Form and submit it to the Executive Director (or his representative) and the Director of Finance for their approval.
- b. Before approving, the Director of Finance will check with the Administration and Finance Officer of the project regarding the budget line limit and fund availability.
- c. Before approving, the Executive Director (or his representative) will check with the Requester (or their supervisors) the program's needs for the requested advance.
- d. If approved, then a check will be issued to the Logistics Department.
- e. The amount of the money requested is limited by the budget line.

4- Safe:

- a. The safe must be placed in a secured room within Finance and Accounting Department.
- b. The maximum amount of cash that can be kept in the safe is \$5000 (or equivalent in local currency).
- c. Only the Cashier (or equivalent) has the keys to the safe.
- d. Only the Finance and Accounting staff have keys to Finance and Accounting rooms.

5- **Insurance:** All Mercy Hands' personnel that handle cash equal to or more than \$5000 must be insured.

6- Cash Liquidation:

- a. The assigned Logistician will bring the receipts from suppliers (or the final receivers of the money) to the Accounting Unit for liquidation then to the Finance team for verification and documentation in the finance system (SAGA).
- b. If not all advance money is spent then the difference will be reimbursed to the Cashier.