



## Chief Executive Financial Instruction No. 7

### Care and Custody of Money

#### Document Information

**Audience**

All Staff

**Version**

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**Document revised by**

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#### EXECUTIVE SUMMARY

Receivers of the Suburban Land Agency (the Agency) monies must hold a delegation and are accountable for any loss of the Agency's money.

The Agency's money is to be banked no later than the next banking day after receipt.

Subject to approval from the Chief Executive Officer (CEO), Shared Services Finance (SSF) may open bank accounts and make arrangements in relation to banking on behalf of the Agency.



## 1. Obligations under this Instruction

### 1.1 Overview

The Agency has responsibility to safeguard public monies and private monies held under trust arrangements. It is issued in accordance with the provisions of the *Financial Management Act 1996* (FMA). This instruction is intended to assist the Agency’s officers to appropriately discharge their responsibilities.

Officers must make all reasonable efforts to recover amounts lost through fraud, theft, or overpayment of either public money or trust money. In cases of fraud and theft, reporting and follow-up action should be in accordance with the Agency’s Chief Executive Financial Instruction No. 9 *Managing Risk and Accountability* and the Fraud and Corruption Control Plan, which can be accessed through the Business Operations team and the intranet.

### 1.2 Compliance

Failure to comply with these instructions may result in fraud against the Agency.

Managers and staff are therefore accountable to the CEO for the fulfilment of their responsibilities under these instructions. Non-compliance will be taken as a serious matter and may result in disciplinary action or be reflected in management performance reviews.

## 2. Overview of the Agency’s Money

### 2.1 Overview

The proper care and custody of the Agency’s money is essential for the efficient and effective financial management of the Agency.

### 2.2 Definition

The Agency’s money is defined as money in the custody or under the control of the Agency, or in the custody or under the control of any person acting for or on behalf of the Agency.

This includes such money that is held on trust for, or otherwise for the benefit of, a person other than the Agency. The following table defines key terminology used in this Instruction and related Procedures.

Term	Definition
Received Money	All money received, whether or not it is banked.
Agency’s Money	Includes: Cash; Cheques; Money orders; Funds transfer; and Balance of official bank accounts held for the credit of the Agency

## 3. Instructions for the Receiving of Money

### 3.1 Receivers of Money

Prescribed positions are designated in the Agency’s Delegations Matrix with the authority to “Receive Moneys and Issue Receipts”.

## 4. Instructions for the Banking of Money

### 4.1 Time frame

Staff members who receive money on behalf of the Agency must as soon as practicable present the money to the Agency’s Finance team. The Finance team will pay the money into the Agency’s bank account no later than the next banking day.



## **5. Instructions for Banking Arrangements**

### **5.1 Authority to open an account**

SSF may open one or more bank accounts and make arrangements in relation to banking on behalf of the Agency and in a manner that is consistent with section 57 of the FMA. Section 57 of the FMA stipulates that a territory authority bank account must not, without the Treasurer's written approval, be opened or kept otherwise than with an authorised deposit-taking institution with which an agreement is in force under section 32 of the FMA.

### **5.2 Responsibility**

SSF are expected to:

- establish such bank accounts with banking institutions as the Treasurer approves; and
- not open bank accounts in the name of individuals.

The Agency must designate officers to be signing and countersigning officers to operate official bank accounts.

## **6. Instructions for Loss of Money**

### **6.1 Custody of money**

A person has custody of money if that person has received money on behalf of the Agency but has not yet banked it.

### **6.2 Liability for losses**

If a loss (which includes deficiency) of the Agency's money occurs, the staff member who had custody of the money is liable to repay the Agency an amount equal to the loss. "Loss", in this context, does not include the Agency deciding, or being compelled, to pay money in response to some matter.

### **6.3 Defending a liability**

It is a defensible action, if the staff member involved proves that they took reasonable steps to prevent the loss, taking into account all of the circumstances surrounding the loss.

### **6.4 Recovering amounts lost**

Officers must make all reasonable efforts to recover amounts lost through fraud, theft, or overpayment of either Agency money or trust money.

Suspected cases of fraud and theft should be immediately reported to the Agency's CEO and/or the Environment, Planning and Sustainable Development Directorate's Senior Executive Responsible for Business Integrity Risk (SERBIR).