



Operational Incidents Socializations

Bhadra 2075

Following incidents are reported to Operation Risk Management Department in the Month of **Bhadra 2075** (August 2018 - September 2018). Some of the cases have already been resolved and some are under scrutiny. With the approval, the issues has been circulated herewith to the branches for their information and precautions in future.

1. Teller Cash Excess / (Short)

S.N.	Incident Date	Incident	Amount	Details	Risk Level	Status
1	2018-08-26	Cash Excess	100,000	Cash excess amount could not been traced after the verification of transaction list & vouchers, recounted the cash at teller & vault and booked in Teller Cash Excess A/C.	Medium	Closed
2.	2018-09-02		200			Open
3.	2018-08-27	Cash Short	100,500	Cash short amount could not been traced after the verification of transaction list & vouchers, recounted the cash at teller & vault and booked in Sundry Debtor-Corporate A/C. After verification of transaction list, Pumori balance, vouchers, CCTV footage and found excess amount paid to one customer. Same has been refunded by customer later on	Medium	Closed
			200,700			

Recommendation

- Cash handling must be done carefully and required giving proper attention in some areas of counter operation immediately. Teller must write denomination in all cheque payment and reconcile the cash with paid cash, check the denomination with deposit slip and verify the cash to minimize this type of issue.
- Branch must book cash excess short in Teller Cash Excess (Short) A/c even for small amount like: 1, 2, 5, 50, 100, 500 etc. in case such incidents happened. Bank must develop specific guidelines on



treatment of Cash Excess amount after specific time period and procedure for recovering from concerned staff in case of Cash Short.

2. Damage of Physical Assets

S.N.	Incident / Report Date	Details	Risk Level	Status
1	2018-09-12 2018-09-13	One of the shutter of the Branch is suddenly fall due to crack of the cable. Branch called the local vendor for the repair of crack cable. The shutter is repaired and is locked for complete repair. Branch informed concerned department requesting to complete repair the shutter.	Medium	Open
2.	2018-09-14 2018-09-14	Fire was caught in electricity meter box. Due to high security alert and branch instant action, fire could not flow further. Fire was out by using fire extinguisher. The banking service is hampered for 1 hour due to such incidents. Further, branch repaired such electricity box with local vendor and is in fine condition.	Medium	Open

Recommendation:

Such type of incidents directly hampers smooth operation of the branch, may cause to physical injury to the human resource and damage all assets of the Branch. All old and non-functioning assets must be replaced on timely manner. Branch must keep MC box, voltage stabilizer, unexpired fire extinguisher and other safety measure.

Risk Matrix

Bhadra 2075		SEVERITY				
		Negligible	Minor	Moderate	Significant	Severe
FREQUENCY	Very Likely					
	Likely					
	Possible			3		
	Unlikely				2	
	Very Unlikely					



Some other operational issues identified by Operational Risk Management Department in the month of Bhadra 2075 are as follows:

- Excess Good for Payment (GFP) charge recovered from customer has been identified in some of the cases. Some branches have recovered excess amount while issuing cross branch GFP cheque and while cancelling GFP cheque. Branch must follow Bank's Standard Tariff & Commission strictly.
- It is also observed that branch has mistakenly opened the account and closed such account frequently. Further, it is also observed that customer requested to open one type of account but branch opened another type of account however such mistake account was closed and correct account was opened later on. Branch must open the account carefully and recheck all information before saving such account in system. This kind of tendency has to be monitored from central level and should develop the appropriate practice to minimize this.
- Frequent incidents of Cash excess/(short) in teller is still continue. Identification of reason for such incident in some cases is yet to be find out. Provision of treatment of long pending cash over / (short) should be developed. Further, appropriate action should be taken to employee who frequently make cash over / (short).
- Frequent incidents of cash excess/(short) in ATM is still continue. Frequent ATM cash excess/(short) indicate the problem in smooth operation of ATM terminals. Continuous monitoring, continuous power supply and regular maintenance of ATM terminals should be done to minimize such type of incidents.
- Some of the CCTV are still found to be having recording back-up below 90 days and have poor image quality due to which it is difficult to identify the cash denomination and customer in case of incident happening.