

**PETTY CASH**

Policy number	PC_pol030419	Version	2
Drafted by	Karen Ramsay	Approved by Board on	3 April 2019
Responsible person	Chairperson	Scheduled review date	2021

**Introduction**

To deal with minor expenses within Bandiana Neighbourhood House need a procedure that is flexible yet consistent with the need to protect the organisation's funds.

**Purpose**

This policy seeks to ensure the petty cash floats are established and managed appropriately and that staff, committee and volunteers are not financially disadvantaged as a result of incurring minor work-related expenses.

**Policy**

Those spending money on behalf of Bandiana Neighbourhood House will seek approval from the MANAGER to establish petty cash floats to deal with minor expenses. Any such floats must observe the nominated procedures.

**Authorisation**

Terri O'Sullivan - Chairperson. 03/04/2019.

Bandiana Neighbourhood House Inc.

**PETTY CASH PROCEDURE**

Procedures number	PC.pro.030419	Version	2
Drafted by	Karen Ramsay	Approved by MANAGER on	03/04/2019
Responsible person	MANAGER	Scheduled review date	2021

**Responsibilities**

It shall be the responsibility of the MANAGER/ADMINISTRATOR/TREASURER (M/A) to consider any application by an individual for a petty cash purchase. It shall be the responsibility of the M/A to manage the amount of the float and to ensure that the procedures specified in this policy are implemented appropriately.

**Procedures****Petty Cash Limit/controls**

The amount of the petty cash float shall be as determined by the MANAGER from time to time, but in general should not exceed \$200. Any amount in the petty cash float over \$200 shall be returned to general funds.

Committee approval must be sought for expenses related to:

- Gifts/flowers
- Awards
- Fundraising activities or purchases

Petty Cash Use

The M/A shall ensure that petty cash is used to cover only those reimbursements for which it is not feasible, or for which it is unreasonably inconvenient, to use normal purchasing methods such as purchase orders, purchase cards or staff expense reimbursement. Any expense that is predictable, regular and significant should be dealt with through normal accounting procedures.

The limit of \$200 shall not be evaded through splitting of items into smaller amounts.

The M/A shall require all expenses incurred using petty cash funds to be substantiated by acceptable supporting documentation such as receipts, tax invoices, invoices, copies of staff travel diaries, etc., and the documentation relating to each item shall be sufficient to establish the nature of the expenditure.

The M/A shall retain acceptable supporting documentation of payments from the Petty Cash float and shall submit these with their accounts to the bookkeeper when petty cash is reimbursed.

The M/A shall report petty cash balance/expenditure for committee financial report and loss of any Petty Cash funds to the committee as soon as the loss is discovered.

Petty cash should be kept in a secure (locked) location and the key held securely.

M/A cannot delegate control of the float to other employees. If the Petty Cash Officer is unavailable, payment cannot be made by that means.

*Reimbursement of petty cash purchases must be signed off by the recipient as a record of reimbursement.*

Petty Cash Replenishment

If there is a need for additional finance, or if it is desired to increase the amount of the float, a special request must be made to the COMMITTEE.

Replenishments should be sought when sufficient funds remain for ten (10) business days of expected use.

**Related Documents**

- [Authority to Sign Cheques Policy](#)
- [Reimbursement of Expenses Policy](#)
- [Credit Card/Financial Transaction Card Policy](#)

**Authorisation**

.28/09/2018 - Bandiana Neighbourhood House Inc

