



Number: FIN 5.0
Date: Sept 19, 2013
Supersedes: March 25, 2003

GENERAL MANUAL POLICY

APPROVED BY:



Executive Director

CATEGORY:

Finance

TOPIC:

Petty Cash

Page 1 of 2

POLICY

Petty cash will be made available to each site to make minor purchases. The method for controlling and recording such purchases will be by the regular submission of a petty cash form and receipts.

GENERAL MANUAL PROCEDURE

TOPIC: Petty Cash

PROCEDURE

1. An initial amount of cash will be issued to a designated custodian of a site. The amount will depend on the frequency and type of purchases and must be approved by the Director of Finance.
2. To limit the risk exposure of this highly liquid asset, the recommended value of a site specific petty cash float is \$100 to a maximum of \$250. The value of the Finance petty cash float is a maximum of \$2,000 to be held in the office safe and kept locked up at all times.
3. As disbursements are made, the custodian obtains receipts for purchases.
4. The custodian will record the purchases on a Petty Cash Form, attaching receipts. For convenience, sites can use the Personal & Household Finances Forms used for individuals' finances, maintaining a separate set of forms for the petty cash float.
5. The total of all the receipts and cash on hand should equal the amount of initial petty cash cheque.
6. When petty cash needs to be replenished, the custodian shall present the completed petty cash form and receipts, with the Supervisor's approval, to Accounts Payable for reimbursement.
7. Petty cash floats must be reconciled on a monthly basis. Requests for petty cash reimbursement should be made on a monthly basis or when the balance of the cash is too low to be functional.
8. For reimbursement, the petty cash form being used must be completed and submitted to Accounts Payable. After review of the forms, Accounts Payable will issue a cheque made payable to the appropriate custodian of the fund. Reimbursement of site specific petty cash funds will be made in cash out of the Finance Petty Cash fund. Accounts Payable will put the reimbursement amount of cash into an envelope and hand it directly to the custodian of the fund.
9. Should a petty cash float no longer be required, the custodian shall turn in receipts and cash on hand, the total of which should balance to the original float issued.
10. It is the custodian's responsibility to keep the petty cash fund in a secure manner.
11. Periodic audits of petty cash funds will be carried out by the Director of Finance and/or Senior Service Management.