

Petty Cash Procedure

Section 1 - Introduction

(1) This procedure supports the University's [Petty Cash Procedure](#). That policy should be read in conjunction with this procedure.

Section 2 - Procedure

Establishing a Petty Cash Float

(2) A staff or college member, in consultation with their Pro Vice-Chancellor/Deputy Vice-Chancellor, should request the establishment of a new petty cash float using the appropriate form within the University's Expense Management System.

(3) As a general rule, the total fund balance is between \$100 and \$500. However, individual circumstances may dictate the need for a higher float limit.

(4) In all cases, Financial Services must review the appropriateness of each request based on documentation provided at the time of the request.

Justification

(5) The establishment and usage of petty cash floats is restricted to justified cases. Examples of appropriate justified need for a petty cash float include floats to fund:

- a. reimbursements to guest speakers or other University visitors for ground transport costs or other incidental costs
- b. payments to research participants where confidentiality is required.
- c. one-off payments to performers on the day of ad hoc concert/show, when cash is the only acceptable form of payment.
- d. small work related expenses where purchasing cards or reimbursement through the University's expense management system is not practical or available.

(6) Examples of inappropriate justification for a petty cash float include, floats to fund:

- a. supply of newspapers
- b. travel expense reimbursements.
- c. travel advances.
- d. payment for items that are to be purchased by purchase card or through the Finance One purchasing system.
- e. payments to vendors for invoices submitted directly to the department where a purchase order was issued.
- f. payments to independent contractors, consultants, non-university employees.
- g. payments for gratuities, personal services rendered, awards, or bonuses.
- h. personal borrowing (IOUs).

- i. purchasing items of a personal nature.

Petty Cash Custodian

Appointment

- (7) The College/Division is responsible for appointing a custodian to monitor the use and replenishment of Petty Cash.
- (8) The Petty Cash Custodian will be a member of staff.
- (9) Appointment and approval of the custodian should be made by the Pro Vice-Chancellor or Deputy Vice-Chancellor - a custodian cannot appoint or approve himself/herself.

Responsibilities

- (10) The petty cash custodian:
 - a. Will ensure that the fund is secured at all times
 - b. Will ensure that the University petty cash card is secured at all times and that the PIN number is not disclosed
 - c. Will ensure that this fund is used to cover only those expense reimbursements for which it is not possible or not feasible, to use normal purchasing methods such as a purchase order, purchase card or staff expense reimbursement.
 - d. Will ensure that fund use is consistent with the manner described in the documentation that initially established the fund.
 - e. Is accountable for the management of the float.
 - f. Is responsible for enforcing all university policies in relation to the operation and handling of the float.
 - g. Is responsible for acquitting all transactions in the University's Expense Management System (Spendvision)
 - h. Is responsible for advising the University's Expense Management Administrator and Director, Financial Services of an intended change of float custodian.
 - i. Must report the loss of funds to the University's Expense Management Administrator and Director, Financial Services as soon as the loss is discovered
 - j. Is responsible for retaining acceptable supporting documentation such as receipts, Tax Invoices, Invoices, copies of staff Travel Diary or Statutory Declaration, with their monthly Spendvision Cash Statement and forwarding that statement on a monthly basis to the Expense Management System Administrator.

Documentation & Substantiation

- (11) All petty cash expenses are fully acquittable through the University Expense Management System.
- (12) All expenses incurred using petty cash funds must have acceptable supporting documentation to substantiate the expenses.
- (13) A tax invoice must be obtained for all purchases exceeding \$55 (GST inclusive).

Transaction Approval.

- (14) Each petty cash transaction/expense claim will be approved using the cash approval rules defined in Spendvision.

Replenishment of Petty Cash Floats

- (15) At the beginning of each calendar year the custodian will be required to estimate the total need for petty cash.
- (16) Any additional funds required over the existing balance will be requested via the University's Expense

Management System.

(17) The custodian can then draw down on this estimate using the unit's "petty cash advance"; card.

(18) If there is a need for additional funds within the year a separate request must be made and approved by the Pro Vice-Chancellor/Deputy Vice-Chancellor within the Expense Management system.

(19) When the fund is reduced to a balance that can support approximately 5-7 business days of activity, the custodian should replenish the float.

Changing the Float Balance

(20) Should a situation arise where it is determined that the size of the petty cash fund should be increased or decreased, a request form must be completed within the University's Expense Management System.

(21) An increase to a petty cash fund is subject to the approval of the Director, Financial Services, as well as the Pro Vice-Chancellor/Deputy Vice-Chancellor, similar to when the fund is initially established.

(22) A request to change the floating balance should be made and approval received before requesting a replenishment of funds.

Closing a Petty Cash Account

(23) The petty cash fund should be closed with Financial Services when the purpose for which the fund was established has been completed, as determined by either the Pro Vice-Chancellor/Deputy Vice-Chancellor or the petty cash custodian.

(24) Financial Services reserves the right to conduct periodic usage reviews and, based on the results, can request closure or reduction of the fund.

(25) The custodian must reconcile the float back to zero prior to returning the "petty cash advance" card to the Expense Management System Administrator.

(26) The final reconciliation of funds and expenses (the Monthly Statement) must also be provided to Financial Services.

Status and Details

Status	Historic
Effective Date	3rd July 2015
Review Date	31st December 2019
Approval Authority	Chief Financial Officer
Approval Date	6th February 2018
Expiry Date	7th August 2022
Responsible Executive	David Toll Chief Financial Officer
Enquiries Contact	David Toll Chief Financial Officer

Glossary Terms and Definitions

"Award" - When referring to a University qualification, this term means an academic qualification approved by Academic Senate that is conferred when a student has met the relevant program requirements. For all other uses of this term, the generic definition applies.

"Establishment" - When referring to an Award offered by the University, establishment means the process of approving an award that the University has decided to offer. For all other uses of this term, the generic definition applies.

"Staff" - Means a person who was at the relevant time employed by the University and includes professional and academic staff of the University, by contract or ongoing, as well as conjoint staff but does not include visitors to the University.

"College" - An organisational unit established within the University by the Council.