

## PETTY CASH POLICY

Policy number	FINPOL012	Version	V.060916
Drafted by	J Rakadrudru	Approved by Board on	
Responsible person	J Rakadrudru	Scheduled review date	31/01/2021

### INTRODUCTION

To deal with minor expenses, administrative units within Harbour City Harvest Church need a procedure that is flexible yet consistent with the need to protect the organisation's funds.

### PURPOSE

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

### POLICY

Administrative units may seek the approval of the Secretary to establish petty cash floats to deal with minor expenses. Any such floats must observe the nominated procedures.

### AUTHORISATION

.....

Chairman

.....

<Date of approval by the Board>

Harbour City Harvest Church

## PETTY CASH PROCEDURES

Procedures number	FINPRO012	Version	V.060916
Drafted by	J Rakadrudru	Approved by Sec on	
Responsible person	J Rakadrudru	Scheduled review date	31/01/21

### RESPONSIBILITIES

It shall be the responsibility of the Treasurer to consider any application by an administrative unit for a petty cash float. If approved, it is the responsibility of the Treasurer to nominate a Petty Cash Officer for that unit. It shall be the responsibility of the Petty Cash Officer to manage the amount of the float and to ensure that the procedures specified in this policy are implemented appropriately.

### PROCEDURES

#### Petty Cash Limit

The amount of the petty cash float shall be as determined by the Treasurer from time to time, but in general should not exceed \$250. Any amount in the petty cash float over \$250 shall be returned to general funds.

#### Petty Cash Use

Each Petty Cash Officer shall ensure that petty cash is used to cover only those expense 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 \$250 shall not be evaded through splitting of items into smaller amounts.

Each Petty Cash Officer 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.

Each Petty Cash Officer shall retain acceptable supporting documentation of payments from the Petty Cash float and shall submit these with their accounts to the Finance Officer each month.

Each Petty Cash Officer shall report the loss of any Petty Cash funds to their supervisor as soon as the loss is discovered.

A tax invoice must be obtained for all purchases exceeding \$55 (GST inclusive).

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

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

### **Petty Cash Replenishment**

Total yearly petty cash requirements shall be estimated by the Petty Cash Officer and submitted to the budget process. The Petty Cash Officer can draw on replenishments during the year up to this amount.

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 Secretary.

Replenishments should be sought when sufficient funds remain for five business days of expected use.

### **AUTHORISATION**

.....

Chairman

.....

Date