



STRANMILLIS UNIVERSITY COLLEGE
A College of Queen's University Belfast

Petty Cash Procedures

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Appendix One – Petty Cash Summary Sheet

1.1 Introduction

The College wishes to minimise the amount spent via petty cash. However, the College recognises that it is not always possible or indeed practical for all items of expenditure to be invoiced and subsequently paid via the purchase ledger.

This procedure gives guidance on the situations where it will be appropriate to pay for goods and services via petty cash and the procedures to be followed when processing petty cash.

1.2 Use of Petty Cash

The circumstances and rules surrounding the use of petty cash will vary depending on the nature of the expenditure. The aim of minimising the amount spent via petty cash should be kept in mind at all times.

In general, the use of petty cash is the most practical payment method in situations where the amount involved is small and either:

- the supplier is not used regularly or
- the supplier requires payment by cash.

1.3 Responsibility for Petty Cash Management

There are two petty cash boxes located throughout the College, one in the Finance Department (float of £300) and one in Hospitality Services (float of £60). The following personnel are responsible for the petty cash boxes at each location:

Finance Department - Admin Officer - Cash Management;

Hospitality Services - Halls Secretary.

These members of staff (hereafter referred to as Petty Cash Officers) have responsibility for the day to day management of the petty cash balance. All requests for petty cash reimbursement should be directed to the relevant Petty Cash Officer.

No new Petty Cash floats can be set up without the prior approval for the Head of Finance and Principal.

1.4 Purchases from Petty Cash

As noted above, the rules surrounding the use of petty cash will vary depending on the circumstances and the nature of the expenditure. In general, the limits for transactions from petty cash should not normally exceed £45 although this limit can be extended in an emergency situation.

1.5 Petty Cash Security

The petty cash box must be kept securely locked away in the departmental safe at all times when not in use and overnight. The key must be securely stored by the relevant Petty Cash Officer.

An up-to-date Petty Cash Summary Sheet, recording all transactions in the period must also be maintained either electronically or a hard copy should be kept in the petty cash box – see Appendix 1.

Other persons including staff, students and volunteers should not have access to the petty cash box except via the Petty Cash Officer.

1.6 Receipts

An original receipt, (signed and dated to indicate approval by the relevant Budget Holder), giving full details of the goods or services purchased must be obtained for all items of expenditure requiring reimbursement from the petty cash box. Receipts must be provided to the Petty Cash Officer as soon as practical after the expense has been incurred but no later than 30 days after the date of the transaction.

1.7 Issuing Petty Cash

Each petty cash box will have a stock or pre-numbered (folio no.) petty cash vouchers. For each item of expenditure funded from petty cash, the next available petty cash voucher in the sequence should be completed by the Petty Cash Officer which shows the amount of petty cash issued, the nature of the expenditure and detail the department(s) that is funding the spend. Any spoiled vouchers must be retained and included in the summary along with the reason for spoilage.

The petty cash voucher must be signed by the person receiving the reimbursement. The relevant Budget Holder should sign each **original receipt*** to confirm that the expenditure has been appropriately authorised **prior to** reimbursement being sought. Expenditure will not be reimbursed unless the receipts have been signed by the relevant Budget Holder.

The claimant must be able to provide sufficient information to allow appropriate coding of the expenditure to be ascertained.

The Petty Cash Summary Sheet must be updated immediately afterwards.

1.8 Advances from Petty Cash

On occasion, a member of staff may require petty cash in advance of making a purchase. The staff member, having obtained budget holder approval, must visit the Finance Office to obtain the advance for which they must sign a petty cash voucher which details the amount advanced and the nature of the expenditure.

Any change together with the **original receipt*** (signed and dated to indicate approval by the relevant Budget Holder) for the purchase, which in total is the amount advanced, must be returned to the Petty Cash Officer as soon as is practical after the purchase but no later than 3 working days after the advance was given.

The original petty cash voucher completed when the advance was given should then be amended to reflect the actual amount spent. If after 3 days no receipt and change has been received, the Petty Cash Officer will follow up with the person who received the advance and, if necessary, the relevant Budget Holder.

*** = in every situation. including re travel claims, credit/debit card payment slips are not suitable receipts as no details of the goods/service purchased is detailed on the slip.**

1.9 Recording and Reimbursement of Petty Cash Expenditure

The Petty Cash Officers should record all petty cash expenditure on the Petty Cash Summary Sheet immediately after the reimbursement has occurred.

This sheet records the voucher number, date, the name of the supplier, the amount paid and expenditure coding information during the period since the last reimbursement.

1.9.1 Hospitality Services Petty Cash Float Reimbursement

On a monthly basis, or more frequently if required, the Petty Cash Officer in Hospitality Services should complete the summary sheet and forward to the Head of Hospitality Services for approval. Relevant coding information should be included in the petty cash summary to assist accurate cost allocation.

Prior to the Petty Cash Summary Sheet being submitted for approval a count of the remaining funds in the petty cash box must be undertaken. This together with the total of the receipts recorded on the summary must equal the total of the petty cash float held by the department – currently £60. An investigation of any difference must be undertaken if a difference is found.

The summary must then be signed off by the Head of Hospitality Services who should ensure that all of the supporting documentation is in order and has been approved in accordance with this policy. Evidence of this checking should be made when approving the Petty Cash Summary Sheet. All of the authorised original receipts pertaining to the summary should be attached to this summary sheet.

Once approved the summary together with all the supporting receipts should be forwarded to the Petty Cash Officer in the Finance Department for reimbursement.

The Petty Cash Officer in the Finance Department should then review the summary sheets to ensure that all of the appropriate receipts have been attached, coding is in order etc.

Once completed, the Petty Cash Officer should pass the summary sheet and receipts to the Head of Finance/Deputy Finance Manager who will review the expenditure, evidence checking, sign and date the summary sheet as evidence of the review. Following this approval, reimbursement from the Finance Department petty cash float can be made.

The receipt of this reimbursement must be acknowledged by the person collecting the reimbursement by signing a petty cash voucher. On receipt the Halls Secretary should e-mail the Petty Cash Officer in Finance to acknowledge receipt of the reimbursement. Both the email and the receipt forms part of the petty cash record in the Finance Department.

1.9.2 Finance Petty Cash Float Reimbursement

On a monthly basis, or more or less frequently depending on the level of demand expected to be made on petty cash in the coming month, the Petty Cash Officer in Finance should complete the Petty Cash Summary Sheet and count and record the remaining funds in the Finance petty cash box. This together with the total of the

original authorised receipts recorded on the Summary Sheet must equal the total of the petty cash float held by the department – currently £300.

This summary must be signed off by the Head of Finance/Deputy Finance Manager who should ensure that all of the supporting documentation, coding etc is in order and has been approved in accordance with this policy. All of the authorised receipts pertaining to the summary should be attached to this summary sheet.

Following this approval a cheque for the total of the receipts should be prepared for signing prior to being taken to the bank for cashing to reimburse the petty cash box.

The completed and authorised Petty Cash Summary Sheet should be forwarded to the Administration Officer – Cash Management for recording on the accounting system.

1.10 Prohibited Expenditure

Petty cash must not be issued for personal purposes, for the cashing of personal cheques or for the payment of salaries or wages except in emergency situations e.g. when a payment of salaries by BACS has failed for some reason. It also cannot be used to make payments on which income tax must be considered such as travel expenses, working lunches and subsistence.

1.11 Spot Checks

Routine spot checks of the petty cash boxes and a count and reconciliation of the monies will be carried out by the Assistant Accountant – Income and Student Finance or other finance staff to ensure these procedures have been followed. A record will be retained of any spot checks carried out and these will be reviewed, signed and dated by the Head of Finance/Deputy Finance Manager.

1.12 Planned Leave Arrangements

At times when the Petty Cash Officer in Finance is on planned leave for a period of a week or more, another staff member within the Finance Department will take over the role.

Before the Petty Cash Officer goes on leave, he/she must perform a handover which involves recording the total of the cash and vouchers in the box and reconciling them to the petty cash records.

Both persons must sign this record as evidence of the handover being carried out and their agreement to the contents of the petty cash box. This should be done both at the start and finish of the leave cover period.

A similar arrangement should be made, when required, within the Hospitality Services Department.

Dr Anne Heaslett
Principal

Date
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For distribution to: All Staff

Appendix One – Petty Cash Summary Sheet



Petty Cash Summary Sheet

Department: FINANCE

Period Covered: _____

TransactionNumber	Voucher Folio Number	Date	Supplier	Items Purchased	Amount Paid (£)	Coding Information e.g teacher education or research project spend	Coding
1							
2							
3							
10							
11							
12							
13							
14							
15							
TOTAL					0.00		

Funds remaining at reimbursement request date

Total of Receipts and unspent funds at reimbursement request date

0.00

Authorised By: _____

Date: