



## Petty Cash Policy and Procedure

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<b>Responsible Officer(s):</b>	Chief Executive Officer
<b>Council File Reference:</b>	1
<b>Applicable Legislation:</b>	Local Government Act 1999
<b>Relevant Policies:</b>	Internal Control Policy Code of Conduct for Council Employees Contracts and Tenders – Acquisition of Goods and Services Fraud and Corruption Policy Whistleblowers Protection Policy
<b>Related Procedures:</b>	Internal Control Procedure
<b>Delegations:</b>	Refer Council's Delegations Policy

# KINGSTON DISTRICT COUNCIL

## PETTY CASH POLICY AND PROCEDURE

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### 1. Purpose

The purpose of the Petty Cash Policy and Procedure is to provide the parameters under which petty cash funds can be used for miscellaneous and business related expenditure of low value, where payment through the accounts payable system is not justified or appropriate.

### 2. Principles

The Petty Cash Policy is intended to enable Council to balance the need for effective control over the acquisition of goods and services of low value, against the processing costs associated with low value acquisitions.

### 3. Scope

The Petty Cash Policy and Procedure applies to all Employees of Kingston District Council.

### 4. Definitions

**Cashier:** Council Officer appointed by the Chief Executive Officer to take responsibility for the day to day management of the Petty Cash Float. For the purpose of this Policy, the Cashier will be Council's Finance Officer.

### 5. Responsibilities

The **Cashier** is responsible for:

- Ensuring the petty cash fund is secure at all times
- Retaining acceptable supporting documentation such as receipts and tax invoices
- Maintaining a Petty Cash register
- Monitoring and reconciling the Petty Cash float
- Reporting the loss of funds to the CEO as soon as any loss is discovered

## **6. Petty Cash Float**

A Petty Cash float of \$500 has been approved by the Chief Executive Officer. The Petty Cash float will be kept in a secure location at all times.

## **7. Procedure**

### **7.1 Expenditure/Monetary Limit**

Petty cash may be used for the urgent direct acquisition of goods and services up to the maximum value of \$100 per transaction. Reimbursement for items of a higher value should be made through Accounts Payable and in accordance with Council Policy G002(a) – Contracts and Tenders : Acquisition of Goods and Services.

### **7.2 Petty Cash Vouchers**

A petty cash voucher must be completed for all petty cash claims. The petty cash voucher must include:

- The date of the claim
- The name of the person who incurred the expense
- The expenditure amount
- Signature of a Senior Manager or Chief Executive Officer
- Signature of the person collecting the cash, and
- Tax invoice or receipt to support the expenditure.

Petty cash claims without the appropriate receipts will be declined.

### **7.3 Petty Cash Approval**

Only Senior Managers or the Chief Executive can authorise petty cash reimbursements. Only the CEO can authorise reimbursement for expenditure incurred by Senior Managers.

### **7.4 Advances from Petty Cash**

An advance from the petty cash float may only be issued if it is not possible for the individual to make the purchase and then claim reimbursement.

To obtain an advance from the petty cash float, individuals must complete a petty cash voucher which must be signed by a Senior Manager or CEO. The voucher should state that the petty cash has been requested in advance and should be signed by the Cashier and purchaser on advancement of the funds.

The purchaser must submit the original receipt to the Cashier together with any surplus funds, as soon as practicable after the purchase.

Under no circumstances will petty cash be advanced to employees for items of a personal nature. All requests for IOU's from petty cash will be declined.

**7.5 Reconciliation and Reimbursement of Petty Cash Floats**

The Cashier must monitor the petty cash float balance and when reimbursement is required, the cashier should reconcile the petty cash vouchers with the float. The reconciliation spreadsheet (attached at the Appendix) and the petty cash vouchers should be forwarded to the Chief Executive Officer or delegate, for approval.

**7.6 Audit**

An audit of the petty cash float should be conducted annually at the discretion of the Chief Executive Officer.

**8. Breaches of this Policy and Procedure**

Breaches of this Policy and Procedure will be investigated as potential breaches of Council's Procurement Policy, relevant Code of Conduct, this Policy and Procedure and/or industrial arrangements and actions taken according to outcomes from an investigation.

**9. Review of Policy and Procedure**

The effectiveness of this Policy and Procedure will be reviewed at least once during the period of Council by the Chief Executive Officer who shall report to Council recommendations for alterations, amendments or substitutions of a new policy, if required.

**10. Availability of Policy and Procedure**

This Policy and Procedure is available for inspection at the Council Office, on the Council website [www.kingstondc.sa.gov.au](http://www.kingstondc.sa.gov.au), and persons may obtain a copy of this Policy and Procedure upon payment of the fee fixed by the Council.

**13. Adoption of Policy and Procedure**

This Policy and Procedure was adopted by the Council at its meeting held on 23 May 2014, resolution number 8967.

**PETTY CASH VOUCHER**

DATE: \_\_\_\_\_ ACCOUNT NO: \_\_\_\_\_

DESCRIPTION : \_\_\_\_\_

PURCHSER: \_\_\_\_\_ AMOUNT \$ \_\_\_\_\_  
name & signature

PURCHASE AUTHORISED BY: \_\_\_\_\_  
Senior Manager/Chief Executive Officer

CASH ADVANCED BY: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_ CASH TAKEN BY: \_\_\_\_\_  
cashier signature purchaser signature

UNUSED CASH RETURNED & RECEIPT RECEIVED RECEIPTED VALUE: \$ \_\_\_\_\_

\_\_\_\_\_  
CASHIER SIGNATURE

\_\_\_\_\_  
PURCHASER SIGNATURE

**PETTY CASH VOUCHER**

DATE: \_\_\_\_\_ ACCOUNT NO: \_\_\_\_\_

DESCRIPTION : \_\_\_\_\_

PURCHSER: \_\_\_\_\_ AMOUNT \$ \_\_\_\_\_  
name & signature

PURCHASE AUTHORISED BY: \_\_\_\_\_  
Senior Manager/Chief Executive Officer

CASH ADVANCED BY: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_ CASH TAKEN BY: \_\_\_\_\_  
cashier signature purchaser signature

UNUSED CASH RETURNED & RECEIPT RECEIVED RECEIPTED VALUE: \$ \_\_\_\_\_

\_\_\_\_\_  
CASHIER SIGNATURE

\_\_\_\_\_  
PURCHASER SIGNATURE

**PETTY CASH VOUCHER**

DATE: \_\_\_\_\_ ACCOUNT NO: \_\_\_\_\_

DESCRIPTION : \_\_\_\_\_

PURCHSER: \_\_\_\_\_ AMOUNT \$ \_\_\_\_\_  
name & signature

PURCHASE AUTHORISED BY: \_\_\_\_\_  
Senior Manager/Chief Executive Officer

CASH ADVANCED BY: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_ CASH TAKEN BY: \_\_\_\_\_  
cashier signature purchaser signature

UNUSED CASH RETURNED & RECEIPT RECEIVED RECEIPTED VALUE: \$ \_\_\_\_\_

\_\_\_\_\_  
CASHIER SIGNATURE

\_\_\_\_\_  
PURCHASER SIGNATURE

