



SECTION: Financial

POLICY: FI 07

REVISED: August 2022
July 2017; November 2014

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PETTY CASH

POLICY

A Petty Cash Fund will be available to use for small purchases required immediately or miscellaneous items for business use as approved by the Chief Executive Officer.

PROCEDURE

1. The Petty Cash Fund will be established at the beginning of each fiscal year for cash purchases and will typically be \$100. Petty cash is used for items costing less than \$20 that are required immediately for business use, or for small miscellaneous business purchases.
2. The Petty Cash Fund will be reviewed annually by the Chief Executive Officer to be the minimum practical to meet agency requirements on a monthly basis; the Fund will not exceed \$200.
3. A receipt must accompany every petty cash expenditure; receipts must include the date, the item, the purpose of the purchase, and the initials of the purchaser.
4. Petty cash may not be used to avoid purchasing procedures nor used to cash cheques, make advances (IOUs), or pay wages.
5. The Manager of Service Coordination will be the custodian of the fund and will sign a written acknowledgement agreeing to follow the agency's policies and procedures related to petty cash purchases.
 - a. The Manager of Service Coordination will ensure that all petty cash and related receipts are secured and safeguarded in a metal lock box within a locked cabinet.
 - b. The Manager of Service Coordination will maintain an electronic record of petty cash and transactions.
 - c. The Manager of Service Coordination will also receive, record and secure all employee and other cash reimbursements to Contact Brant (refer to Staff Mileage and Expenses Policy). This cash will also be maintained in the petty cash lock box and an electronic record maintained as part of the petty cash documentation.
6. A cash advance may be made prior to a purchase under the following conditions:
 - The advance may not be outstanding for more than two business days.
 - The advance must be documented.

- Upon completion of the purchase, the advance will be marked “cancelled” and placed with the receipt for that purchase; the purchaser or the fund will be reimbursed for any difference between the advance and the actual cost of the purchase.
7. The Petty Cash Fund will be replenished as required by the Manager of Service Coordination who will:
 - Reconcile the remaining cash and the receipts to verify that the total is equal to the authorized Petty Cash fund.
 - Submit the Petty Cash Reconciliation documentation and receipts to the Executive Assistant for petty cash replenishment.
 - Notify the Chief Executive Officer immediately of any discrepancies.
 8. Upon receipt of the Petty Cash Reconciliation, the Executive Assistant will review all Petty Cash documentation prior to issuing a cheque. The Chief Executive Officer will review and approve all Petty Cash documentation prior to authorizing a cheque.
 9. The Executive Assistant will count the cash in the Fund at least twice annually.
 10. The Chief Executive Officer will implement and document a random reconciliation of petty cash at least once annually.
 11. If the Chief Executive Officer authorizes a change of the custodian of the Petty Cash, the outgoing and incoming custodian will verify the fund status and a jointly signed memo detailing the fund status will be forwarded to the Chief Executive Officer with a copy retained by the Executive Assistant for audit purposes.