

Petty Cash Policy

1. Purpose and Scope

The purpose of this policy is to define the principles and conditions which support the petty cash function.

This policy applies to all Unitec Staff.

2. Policy Statements

- 2.1 Unitec has established petty cash funds to minimise administration time and costs associated with minor and irregular purchases.
- 2.2 Unitec will seek to minimise the number of Petty Cash funds in use.
- 2.3 Petty cash funds must only be used for authorised business expenses up to the value of \$50 per event or transaction.
- 2.4 Petty cash funds must not be used for personal expenses or to make loans of any kind.
- 2.5 Any deviations from the Petty Cash Funds Policy must be clearly documented and approved by the Finance Administration Manager (FAM) or the Executive Director – Finance (EDF)

3. Policy

- 3.1 No Petty Cash Fund may be established without the prior approval of the Finance Administration Manager or Executive Director - Finance.
- 3.2 The appointment of the Petty Cash Custodian is the responsibility of the Director or Manager (non-academic) or Head of School (HoS).
- 3.3 The Custodian must be a permanent staff member i.e. they cannot be a temporary staff member or contractor.
- 3.4 Custodians of petty cash funds, and their Line Manager, are accountable for misuse or mismanagement of petty cash funds.
- 3.5 Theft or any losses of the petty cash fund are the responsibility of the department/school and must be notified immediately to the Head of

School/Department, Executive Director - Finance **and** the Financial Administration Manager.

- 3.6 Petty Cash floats will be checked randomly through an Internal Audit function or by Finance staff.
 - 3.7 The Petty Cash Handover form must be completed and signed by the Director or Manager (non-academic) or Head of School when re-delegating the Custodian. The form must be submitted to the Finance Administration Manager.
 - 3.8 Claims for business expenses will only be reimbursed upon presentation of an approved tax invoice or receipt.
 - 3.9 Items specifically excluded from petty cash reimbursement include gifts, alcohol, mileage, fuel, infringements, cigarettes, tips, cash advances, departmental functions, and split purchases.
 - 3.10 Reimbursement of the petty cash float must be evidenced with the signature of the Director or Manager (non-academic) or Head of School together with authorised receipts.
 - 3.11 The Custodian should reconcile the petty cash at least quarterly or when replenishing the petty cash float if more than once a quarter.
 - 3.12 The Director or Manager (non-academic) or Head of School must confirm the petty cash balance annually by completing an Annual Declaration Certificate and submit to the Accountant in Finance.
 - 3.13 Where there has been a breach of the Petty Cash Policy, or the petty cash has low usage, the Finance Administration Manager or Executive Director - Finance may require closure of the petty cash float.
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4. Responsibilities

Role	Responsibilities
Executive Director – Finance Finance Administration Manager	<ul style="list-style-type: none"> Petty Cash Funds approval and closure
Finance Administration Manager	<ul style="list-style-type: none"> Petty Cash Funds Policy owner
Head of School Director or Manager (non- academic)	<ul style="list-style-type: none"> Oversees the delegation process Approves reimbursements of petty cash float Responsible for annual confirmation/declaration of petty cash balances and submission to Finance
Petty Cash Fund Custodian's Line Manager	<ul style="list-style-type: none"> At least half yearly perform an independent count of the petty cash to ensure the cash on hand has been correctly recorded
Petty Cash Fund Custodian	<ul style="list-style-type: none"> Keeps petty cash box secure Balances the funds at least quarterly or when reimbursing petty cash float (if more than once a quarter) Reimburses staff based on appropriate documentation Submits coded and approved Petty Cash Reimbursement Form with approved original receipts to Finance Obtains reimbursement cheques Completes Petty Cash Fund Handover Form and delegates responsibility if absent
Accounts Payable (AP)	<ul style="list-style-type: none"> Receives and reconciles completed reimbursement form Issues the reimbursement cheque
Accountant	<ul style="list-style-type: none"> Manages annual balance declaration/confirmation Performs ad hoc audits on Petty Cash Custodians
Unitec staff	<ul style="list-style-type: none"> Comply with Petty Cash Fund Policy

5. Reference Documents

5.1 Compliance with Unitec Policies

Petty cash fund processes and activities will be conducted in accordance with Unitec's policies listed including, but limited to:

- Procurement Policy
- Purchasing Card Policy
- Sensitive Expenditure Policy
- Procurement at a Glance
- Delegated Financial Authorities Policy and Schedule
- Travel Policy
- Expense Claim Policy
- Gifts at a Glance

5.2 Related Forms

- Petty Cash Reimbursement Form
- Petty Cash Handover Form
- Petty Cash Annual Declaration Certificate
- Petty Cash Closure Form
- Petty Cash Reconciliation Form
- Till Cash Handover Form
- Till Cash Reconciliation Form

6. Document Management and Control Details

6.1 Document Details

Version:	2.0	Issue Date this Version:	April 2019
This Version Approved by:	Executive Leadership Team	Date of Approval:	April 2019
Document Owner:	Finance Administration Manager	Document Sponsor:	Executive Director - Finance
Date of Next Review:	April 2022		
Date first version issued:	2007	Original Approval Body:	Executive Leadership Team

6.2 Amendment History

Version	Issue Date	Reason for Revision	Approved by
1	2007	New policy	Finance Committee of Council
2	2015	Review and addition of internal audit's recommendation	Executive Leadership Team
3	2016	Updated Policy	Executive Leadership Team
4	2018	Updated Policy	Executive Leadership Team
5	2019	Cyclic review of policy – minor amendments only	Executive Leadership Team