



PETTY CASH POLICY

Rationale:

At times, production of order forms and cheques for small purchases is inconvenient or unrealistic. On such occasions, petty cash may be used.

Aims:

To implement a petty cash process that meets the school's needs and at the same time complies with Departmental requirements.

Implementation:

- The purpose of petty cash is to meet minor payments for purposes other than salary and wages. The limit on any one payment is \$100.
- The principal, with the permission of the school council, may establish a petty cash advance under the following conditions:
 - The initial advance is to be established by drawing a cheque made payable to the advance holder, that is the member of staff responsible for the custody and control of the cash advance, and opened to 'pay cash'.
- Advances are to be adjusted at the end of each school year by the repayment of cash, or cash & vouchers, or vouchers equal to the advance.
- A petty cash book is to be used to show the details for each individual payment.
- All documentation relating to the payment, that is, cash register dockets, supplier's invoices and so on, are to be given to be reimbursed. At the time of payment, all dockets and supporting documentation are to be cancelled by writing or stamping the word 'paid' across all documents.
- A record of petty cash expenditure using a book is to be maintained by the advance holder. The record is to show the amount of the advance, the date cash was paid, the signature of the person incurring the expense, a brief description of the expense, the account to be charged and the amount of purchase(s).
- Before petty cash need is replenished a reconciliation must occur to ensure that the total of the payments made plus the balance of cash on hand equal the amount of the original advance.
- In accordance with internal control procedures, only one officer is to be the custodian of a petty cash advance and accountable for it. Therefore, no other person is entitled to access the advance.
- Cash on hand is to be kept in a secure location (lockable drawer/safe) at all times. The cash on hand must be fully adjusted and re-banked at the end of each school year. During other vacation periods, where small amounts are held it is not necessary for action to be taken.

Evaluation:

This policy is required to be formally minuted and reviewed by the School Council on an annual basis.

This policy was last updated on 7th June and is scheduled for review in June 2022.