



1

Petty Cash


CONTROLS AND PROCEDURES





1


Petty Cash Overview



2

Petty Cash is used for small payments of goods or services

A good system of **internal controls** and **procedures** are necessary to ensure petty cash is used appropriately and to protect against theft or fraud.





2

Petty Cash Agenda

❖ Petty Cash Policy

❖ Petty Cash Procedures





3

Petty Cash Policy

Sample
Petty Cash Policy

The sample policy is for reference only. It is subject to change without notice. The sample policy is not intended to be used as a template. It is subject to change without notice. The sample policy is not intended to be used as a template. It is subject to change without notice.

4

Petty Cash policy

- ✓ Purpose
- ✓ Limits
- ✓ Access
- ✓ Storage
- ✓ Reconciling
- ✓ Replenishing

4

Petty Cash Policy - Purpose

5

Purpose

- Details of use for petty cash
 - ✓ Postage
 - ✓ Petrol for Lawnmower
- Must not be used for:
 - ✗ Borrowing
 - ✗ Payment of wages
 - ✗ Exceed Limits

5

Petty Cash Policy - Limits

Example:
Balance in petty cash box - € 25
Top up by **€225**
Max Float Allowed €250

6

Limits

Maximum Transaction Limit

- €25 or €50 per transaction

Maximum Float Limit

- €250 max
- Review limits annually

Imprest System

Only replenish to the maximum float amount allowed

6

7

Petty Cash Policy - Access





Access

- One person responsible
- Access restricted
- Minimise the risk of errors, fraud, or unauthorised expenditure occurring

7

8



Petty Cash Policy - Storage



Storage

- Lockable petty cash box
- Secure location
- Keys stored securely

8

9


Petty Cash Policy - Reconciling




Reconciling

- The cash should be counted weekly
- Agree to the balance in the petty cash book
- Petty cash book must be reconciled month-end
- Approved by the Principal

9

Petty Cash Policy - Replenishing






10


Replenishing

- Petty cash top up to the maximum limit approved by the board.
- One cheque per month written (Imprest System)
- School Income should **not** be used. Lodge intact to the bank.
- Credit card should **not** be used
- No Debit Cards Allowed

10

Petty Cash Procedures Recording Petty Cash






11

- ▶ Treat petty cash like a bank account
- ▶ Record income
- ▶ Record Expenditure
- ▶ Reconcile each month

11

Petty Cash Procedures- Voucher



12

Petty Cash Voucher Template

Note: Petty cash requests must not exceed \$100.00.

Department

Amount Requested

Change returned

Expense incurred

Requested By

Description

Approved By

Received By

Paid out By

Please attach bank statement

Date

Signature

Signature

Signature

- A petty cash voucher must be used for each transaction
- The vouchers must be signed by the person paying out the cash, receiving the cash and approved by the Principal

12

13

[illegible]

14



September October November December January February March April May June - +

15



Save Close

16

[illegible]

17

The screenshot shows the 'Bank Accounts' window in Sage 50 Accounting. The window has a menu bar at the top with options like New, Edit, Add, and a toolbar with icons for various functions. Below the toolbar is a table listing bank accounts. The table has three columns: 'Name', 'Last Rec'd', and 'Last Reconciled Date'. The 'Bank of America' account is highlighted in red. The 'Bank of America' account has a 'Last Rec'd' date of 2/10/2024 and a 'Last Reconciled Date' of 2/10/2024. The 'Bank of America' account is also marked as 'Reconciled'.

Name	Last Rec'd	Last Reconciled Date
Online Payment system	N/A	
Current Account for 1	20/10/2024	24/09/2023 0.00
Current Acc for 2	20/10/2024	13/12/2023 0.00
Parents Association	No	0.00
Bank of America	2/10/2024	2/10/2024 0.00
Bank of America	2/10/2024	2/10/2024 0.00
Cash Credit Account	No	0.00
Payroll Acc	No	0.00



18



F350 Final Personal Financial Statement		Section 2: Banking	
<p>4) Is a tracing of the party cash is required, is it approved by the Principal?</p> <p>5) Are regular independent checks made by the treasurer/ Finance Subcommittee on cash flow and records held?</p> <p>6) Are the party cash accounts recorded in the school accounts system?</p>			
<p>Further Guidance: F350 Guidelines and Other Guidance</p> <ul style="list-style-type: none"> Party cash procedures and controls (Primary schools) Party cash procedures and controls (Post Primary schools) <p>Sample templates and forms</p> <ul style="list-style-type: none"> Sample party cash policy Sample party cash voucher (word) Sample party cash voucher (pdf) Sample party cashbook template (word) Sample party cashbook template (pdf) <p>Recommendations:</p> <ul style="list-style-type: none"> Are all details of all payments entered in a party cash book? 			

19



19

20



20
