

 <p>Cree School Board Commission scolaire crie</p>	<h2>Policy on Petty Cash Fund</h2>	
	<p><b>Department responsible:</b> Finance and Administrative Services  <b>Effective date:</b> December 8, 2005  <b>Amended on:</b> March 1, 2014 and February 17, 2016  <b>Approved by:</b> Resolution #EC 2016-050</p>	
	<p><b>References:</b></p>	<ul style="list-style-type: none"> <li>• Council Policy Manual: EL-5</li> </ul>
	<p><u>Other Policies</u></p>	<p><i>Award of supply, services and construction contracts</i></p>

In most instances, the Cree School Board purchasing policy is adequate for acquiring needed supplies and services. However, in exceptional circumstances, in departments or schools where small value purchases are required with some frequency, the Director of Finance may establish a Petty Cash Fund. Use of this Fund is encouraged to reduce time, paperwork and administrative expenses for minor expenditures.

### 1) Purposes

[Application](#)      1.1. This Policy establishes the rules pertaining to the administration of any Petty Cash Fund in schools or departments.

[Definition](#)      1.2. For the purposes of this Policy, the following words or expressions mean:

- a) **Budget year:** July 1 to June 30<sup>th</sup>;
- b) **Custodian:** the person who keeps and operates a Petty Cash Fund on a day-to-day basis.

### 2) Establishment of a Petty Cash Fund

[Request](#)      2.1. To establish a Petty Cash Fund, the budget supervisor submits a request to the Director of Finance, with the following information:

- a) amount requested: this amount must reflect the particular needs of the school or the service and should not exceed \$1,000;
- b) name and position of the Custodian who will be responsible for the day-to-day operation and custody of the Petty Cash Fund.

The Director of Finance establishes the amount and any other conditions, if need be.

[Separate Petty Cash Funds](#)      2.2. Only one Petty Cash Fund per budget supervisor may be established.

### **3) Custodian**

#### Responsibility

**3.1.** The budget supervisor who has a Petty Cash Fund under his responsibility must appoint one of his employees to carry out the functional operations. Such responsibility includes the maintenance, disbursement, record keeping and safekeeping of the Petty Cash Fund. There is only one Custodian per Petty Cash Fund.

The budget supervisor remains however responsible for the Petty Cash Fund and the Custodian is directly accountable to him.

#### Temporary absence or replacement of the Custodian

**3.2.** During his absence, the Custodian may place the Petty Cash Fund with a temporary Custodian with the approval of the concerned budget supervisor.

When the responsibility for the day to day administration of the Fund is changed from one staff member to another, the budget supervisor must ensure that the Fund is balanced and verified prior to the transfer, and that there is clear evidence to support this.

### **4) Beginning of the budget Year**

#### Requisition

**4.1.** At the beginning of the budget year, the Custodian shall:

- a) fill out a Requisition in order to request a Petty Cash Fund;
- b) have the requisition approved by his budget supervisor;
- c) keep the green copy of requisition in files;
- d) send the other copies to Finance.

#### Cheque

**4.2.** Finance issues a cheque payable to the Custodian to establish the Petty Cash Fund. The Custodian then cashes the cheque and assumes the responsibilities for the maintenance of the Petty Cash Fund as defined in article 3.1.

### **5) Operation of a Petty Cash Fund**

#### Board business

**5.1.** All expenditures under a Petty Cash Fund must be for the Board's businesses such as for meeting expenses (coffee, snacks, etc.), local transportation expenses (i.e., day trips), postage or similar expenses. The Petty Cash Fund cannot be used for purposes such as personal loans or expenses, cashing cheques, salaries, travel claims and advances.

#### Limit

**5.2.** Purchases in excess of \$100 per source or supplier must be made in accordance with the purchasing policy. However, purchasing of Cree traditional supplies are allowed up to a maximum of \$800 per supplier.

#### Anti avoidance

**5.3.** The practice of processing several vouchers to the same person for reimbursement of expenses incurred for a single purpose, the total sum of which exceeds the amounts established in article 5.2 is prohibited.

**General By-law No1 – s. 17.25**

[Reimbursement](#)

**5.4.** To obtain reimbursement for petty cash expenses, a Petty Cash Reimbursement Form must be completed (See **Annex A**) with the following information:

- a) original receipt(s) showing the signature of the person authorized to approve petty cash expenditures with a clear description of the:
  - i) date of purchase
  - ii) name of supplier
  - iii) amount
- b) reason for the expense (comments);
- c) budget code;
- d) Custodian's signature;
- e) signature of the person who received the funds.

When the Custodian is the person claiming a reimbursement, the process and authorization must be done by the supervisor.

[Location and access](#)

**5.5.** The Petty Cash Fund must be kept in a secure, locked place under the control of the Custodian. Only the Custodian should have access to the Petty Cash Fund.

[Sole purpose](#)

**5.6.** Funds derived from other sources such as fundraising activities shall not be added to the Petty Cash Fund.

## **6) Petty Cash Fund Replenishment**

[Frequency](#)

**6.1** Subject to articles 4.1, 6.2 and 6.3, the budget supervisor may request Replenishment of a Petty Cash Fund whenever necessary.

[Summary Sheet](#)

**6.2** Whenever a replenishment of the petty cash is needed, the Custodian shall fill out the Petty Cash Summary Sheet (see **Annex B**) as follows:

- a) voucher's number
- b) name of person who received the Funds
- c) reason for the expense (comments)
- d) amount
- e) total
- f) budget code
- g) budget supervisor's signature

[Vouchers](#)

**6.3** All vouchers must be attached to the Petty Cash Summary Sheet and sent to the department of Finance and Administrative Services with a Requisition duly completed (**Annex A**).

The Custodian retains the duplicate copy of the form for his records.

[Process / during the year](#)

**6.4.** At the time of replenishment during the budget year, the Custodian shall:

- a) fill out a Requisition in order to request a Petty Cash Fund;

- b) have the requisition approved by his budget supervisor;
- c) keep the green copy of requisition in files;
- d) send the other copies to the department of Finance and Administrative Services.

[Cheque to the Custodian](#)

6.5. Finance and Administrative Services issues a cheque payable to the Custodian to replenish the Petty Cash Fund.

## **7) End of the Budget Year**

[Process](#)

7.1. At the end of the budget year, the Custodian must:

- a) send a cheque to Finance for the money left in the Petty Cash Fund;
- b) send all the invoices and petty cash summary to Finance;
- c) each year submit a final report before June 30<sup>th</sup>.

## **8) Audit**

[Audit](#)

8.1. Petty Cash Funds and expenses are subject to periodic review by the auditors.

## **9) Application of this Policy**

[Previous provisions](#)

9.1. This Policy replaces all other Policies of the Board pertaining to this subject, while respecting the Council of Commissioners Ends/Policies where applicable.

[Official version](#)

9.2. The official version of this Policy is kept by the Secretary-General of the Board.

[Responsibility](#)

9.3. Any person referred to in this Policy must abide by all its provisions and all managers of the School Board are responsible to ensure that all its provisions are applied and respected.

The Director of Finance and Administrative Services is the person responsible for providing support in the interpretation of this Policy and to ensure its revision when necessary..

**Annex A**  
*Petty Cash Voucher*



Petty Cash Voucher  
\_\_\_\_\_ School  
20\_\_-20\_\_

#: \_\_\_\_\_

Date: \_\_\_\_\_

Paid to: \_\_\_\_\_

Amount: \_\_\_\_\_

For: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Budget Code: \_\_\_\_\_

Signature of the person authorized to approve petty cash expenditures:

\_\_\_\_\_ Date:

Signature of the Custodian: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of the person receiving the funds (if different from the Custodian):

\_\_\_\_\_ Date:

