Petty Cash Imprest Funds

Effective Date: January 1, 2006

Signature/Position: Assistant Vice-President, Finance and Services

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Subject

Petty Cash Imprest Funds

Intent

To implement the Petty Cash Policy by establishing Petty Cash Stations at a number of locations (main buildings) on campus and by providing the procedure required to operate an Imprest Fund.

Scope

All University Petty Cash Imprest Funds

Procedure

1. Establishment of Petty Cash Stations

1. Requests for the establishment of a Petty Cash Station will be made in writing by the Department Chairs, Directors and above, to the Revenue Control Manager and must include the flollowing data:

1. The name of the employee delegated to assume the responsibility as the Petty Cash Custodian.
2. The plan for safekeeping the Petty Cash funds.
3. The proposed level (up to $500) of the required fund is for the station. Special approval of the Revenue Control Manager is required for stations that require more than $500.
4. The justification for having a station located in the proposed area.

2. The University Officer requesting the station will assume the responsibility to regulate, delegate custodianship, ensure the safekeeping and generally oversee the fund.
3. The University Officer responsible for the Petty Cash Station may delegate his/her authority for approval of petty cash disbursements to the custodian or to some other employee(s) within his/her department. If a person(s) other than the custodian is delegated the approval authority, the specimen signature(s) should be provided to the Station Custodian used by the department.

2. Disbursements from Petty Cash Funds

Custodians of Petty Cash funds will adopt the following procedures:

1. Petty Cash purchases should not exceed $100.00 per supplier order (with the exception of the reimbursement for safety footwear which can be reimbursed via Petty Cash up to the maximum of $130.00, effective January 1, 2006, for the appropriate employees). Supplier orders for greater amounts will require a purchase requisition and be excluded from Petty Cash expenditure.
2. The following items are excluded from Petty Cash Station expenditures:
    1. Salary or wage payments (example student labour).
    2. Personal loans or advances.
    3. Purchases for employees, benefit (example coffee making equipment and personal gifts).
    4. Expense reimbursable on Travel Authority and Personal Expense Report FP 2.2.03 in excess of $100.00

3. Petty Cash Voucher Form U.G. FP 5.3.01

1. Upper Portion of Petty Cash Voucher
    1. P.C.V. No.- The custodian will serial number each voucher set by inserting the next sequential number in this space.
    2. Stn. No.- Insert Petty Cash Station number.
    3. Date - Insert the date of expenditure in this column.
    4. Number of Units - This column is only required if the attached receipt does not give the number of units purchased.
    5. Detail of Expenditures - This portion of the voucher is required only if the receipt is not detailed. If the receipt is detailed enter only the supplier's name.
    6. Amount - Enter the amount paid for each item listed. Add the column and enter the sum total in space provided.
    7. Signature of Recipient of Cash - The person receiving the cash from the custodian is required to sign the voucher set for the amount received.
2. Lower Portion of Petty Cash Voucher
    1. Coding Section - This section is to be completed in the same manner as the coding slip instructions for the department purchases (Ref. FP2.3.04).
    2. Department No. - Insert the department number of the department incurring the expense here.
    3. Amount Column - The total of this column must agree with the total expenditure amount column (f).
    4. Approval Signature - The signature of the person delegated to approve Petty Cash expenditures for the department concerned is required on each voucher set prior to payment of cash by the custodian of the station fund.

4. Replenishment of Petty Cash Stations

1. Application for Replenishment

1. When the Petty Cash fund reaches the 50% level, or five(5) days before the month end, whichever occurs first, the Petty Cash Custodian will apply for the replenishment in cash for all vouchers paid and accumulated to date.
2. The original (white) vouchers (with receipts attached) will be forwarded to the Accounts Payable department enclosed in a Petty Cash Station Replenishment Envelope. The pink copies will be retained at the station by the custodian as a control file.

5. Petty Cash Station Replenishment Envelope

1. The custodian, when replenishment of fund is required, will complete a Petty Cash Station Replenishment Envelope as follows:
    1. Number - Insert the serial number following the previously submitted envelope here. Also insert the same number on the receipt on flap at rear of envelope.
    2. Petty Cash Station No. - Insert the station number issued by Revenue Control when Fund was established.
    3. Department No. - Insert the department number here. If more than one department is using the station, use separate envelopes for each department.
    4. Invoice Date Batch and Vendor Code - Leave blank. For Accounts Payable department's use only.
    5. Detailed Columns - List each paid voucher in sequence and fill in details requested in each column copied from the vouchers being listed.
    6. Total - Insert the sum total of all listed voucher amounts here.
    7. Approved By - Obtain either the signature of the Dean, Director, Department Chair or Department Head.
    8. Cash Requested - (See Receipt Flap) - Insert the denominations of the cash required in the block on lower right-hand corner. Leave receipt attached to envelope.
    9. Insert all original (white) vouchers and their attached receipts into envelope and seal, leaving the receipt attached to flap. Forward envelope to Accounts Payable for audit and replenishment approval. Accounts Payable department will require three days for this operation.

6. Accounts Payable Audit of Vouchers

1. Accounts Payable department will audit Petty Cash vouchers in each envelope to verify:
    1. that vouchers are properly supported by receipts, where necessary,
    2. that the coding section is complete and all amounts are accounted for,
    3. that unsigned, uncoded, or erroneous vouchers are returned to the custodian for correction and that they are deleted from the replenishment envelope amount. Vouchers returned may be resubmitted after correction, on subsequent envelopes.
2. Upon completion of the audit by Accounts Payable the vouchers will be returned to their respective envelopes, verified in the space on the envelope face, and given to the Accounts Payable supervisor for his/her signature on the receipt flap of the envelope.
3. The Accounts Payable supervisor will fill in the date, the amount to be replenished, the station number and sign the Accounts Payable authorization portion of the receipt attached to the envelope flap.
4. The supervisor of Accounts Payable will then remove the receipt from the envelope and send them daily to the Revenue Control office for the cash payment to be made to the station custodian.

7. Master Station Disbursement and Replenishment

1. The master station cashier (Revenue Control Office) upon receipt of a replenishment receipt from the Accounts Payable supervisor will notify the station custodian that the replenishment cash is ready for issue. The Custodian will report to the Revenue Control Office, receive payment and sign the right-hand section of the receipt.
2. The master station cashier will record the payment of cash replenishments on a master station replenishment list, in duplicate, and return the replenishment list with receipts attached, to the Accounts Payable Supervisor. The Accounts Payable Supervisor will then authorize the release of the station replenishment envelopes to Data Processing for recording and repayment cheque payable to Revenue Control cashier.

3. Forms to be used with this procedure are:
    1. Petty Cash Voucher (white and pink)
    2. Petty Cash Station Replenishment Envelope
4. The Management Report of expenditures will reflect the Petty Cash voucher expenditure amounts as coded on the vouchers paid.

Forms

- Petty Cash
- Petty Cash Station Replenishment Envelope

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