



University College Cork

# Petty Cash Policy

August 2018

## SCOPE

This policy sets out the principles, terms and conditions and the procedures governing the issue, use, administration and retention of petty cash facilities.

In this document the term 'university' should be taken to mean those entities which come within the scope of this policy and this includes the university and subsidiaries.

### **The objectives of this policy are to ensure that:**

- a)** the terms under which petty cash facilities are issued, operated and withdrawn are clear and understood;
- b)** to ensure that appropriate control procedures are in place; and
- c)** that compliance is obtained with university financial policies and procedures.

UCC operates a Petty Cash facility which enables the efficient requisitioning of certain sundry goods/services which cannot be procured efficiently using the Agresso purchase ordering system. Petty cash should be used for Sundry items only.

Petty cash should never be used to reimburse staff for travel expenses incurred. Such expenses must be reclaimed using the Agresso Expenses system.

Supplier payments must be processed through the Agresso system and again petty cash should never be used to settle such invoices/requests for payments.

All Entertainment expenses must be processed through the Agresso system.

Cash received directly by a unit must never be used for petty cash purposes. All cash received must be dealt with as outlined in the University's Cash Handling policy. Please see link below:

<https://www.ucc.ie/en/media/support/financeoffice/otherdocuments/CashHandlingPolicyandProceduresJune18.pdf>

### **Petty Cash Floats**

Petty cash floats will normally issue on receipt of a completed *Petty Cash Application Form* by the Finance Office. The application form must:

- a.** Clearly outline the reason for the float and why the expenditure to be incurred cannot be procured through the Agresso purchase order system;
- b.** Include the unit's cost centre and project code detail. Please note that all applications relating to research project codes will require the approval of the Research Accountant as well.
- c.** Include the signature of the Head of department who is approving the application and confirming acceptance of the terms and conditions of this policy.

The maximum petty cash float is normally €250.

Completed forms returned to the Financial Accountant at the Finance Office.

### **Terms and Condition of Use:**

The use of petty cash is governed by the following terms and conditions.

- a.** The Budget Holder is responsible at all times for the proper use of the petty cash in line with this policy;
- b.** The Budget Holder is also required to put proper controls in place for the safe custody and security of petty cash;
- c.** Petty cash can only be used for bona-fide university business purposes and for expenditure items as outlined in the scope section of this document;
- d.** Petty cash **must not be used** for personal expenditure or for cash advances.
- e.** The petty cash transaction limit is normally €50 per a single transaction and must not be exceeded unless prior approval from the Financial Accountant in the Finance Office.
- f.** The petty cash float will be replenished using the Accounts Payable system. A Petty Cash Claim Form must be completed, coded and authorised with all supporting original receipts attached and forwarded to the Finance Office. On receipt this will be reviewed and processed and a cheque will issue for the total of the expenditure incurred.

### **Petty Cash Claim Form**

<https://www.ucc.ie/en/media/support/financeoffice/agresso/accountspayable/PettyCashFormJanuary2018.pdf>

The following details must be included in the Petty Cash Claim Form for each individual item of expenditure prior to forwarding to the Finance Office:

- a.** *date of payment;*
- b.** *receipt number;*
- c.** *description/payee*
- d.** *amount;*
- e.** *original receipts supporting the expenditure included in the claim;*
- f.** *cost centre and project code to be charged;*
- g.** *Head of department/unit sign off.*

Petty cash form example as follows:

<u>Date</u>	<u>Receipt</u>	<u>Description (Payee)</u>	<u>Amount</u>
23/01/2018	1	Milk *10	18.00
29/01/2018	2	Batteries	5.99
30/01/2018	3	Coffee	6.00
31/01/2018	4	Biscuits	8.00
28/01/2018	5	Parking Disk (P.D)	2.00
21/02/2018	6	Food for Demo/Lab	35.00
15/02/2018	7	Wall Planner	9.99
16/02/2018	8	Postage	5.50
27/02/2018	9	Stationary	50.00
23/02/2018	10	Keys cutting	19.90
23/02/2018	11	Car Parking Cost	15.00
09/03/2018	12	USB Stick	5.99
23/03/2018	13	Office Supplies	16.00
<b>Total</b>			<b>197.37</b>
<b>Cash in Petty Cash Box</b>			<b>2.63</b>
<b>Total Float</b>			<b>200.00</b>

*Allowable Expenses:*

Canteen Expenses, i.e. Milk, Tea.

Postage & Stationary: Stamps and envelopes.

Toiletries: Soap etc.

All other items of expenditure must be procured using the Agresso system and be in line with relevant UCC Policies & Procedures, for example:

Travel and Expense Policy.

Link:

[https://www.ucc.ie/en/media/support/financeoffice/fees/formspoliciesprocedures/policiesprocedures/UCCTravelExpensePolicy2018\(1\).pdf](https://www.ucc.ie/en/media/support/financeoffice/fees/formspoliciesprocedures/policiesprocedures/UCCTravelExpensePolicy2018(1).pdf)

Guest Speaker, Honorariums & Vouchers.

Link:

<https://www.ucc.ie/en/media/support/financeoffice/financialaccounting/GuestSpeakers-Honorariums-and-Vouchers-Policy-12December2017.pdf>

Procurement Policy.

<https://www.ucc.ie/en/media/support/procurementsandcontracts/generaldocuments/QP02PURCHASINGPOLICY.docx>

## **Review Process**

Petty cash transactions and floats are subject to annual audit by both our statutory and commercial auditors and are also audited periodically by the UCC Internal Audit Unit. It is imperative that all petty cash transactions comply with this policy, that receipts are available to support all transactions and that balances are confirmed at year-end. It is imperative also that petty cash is held in a secure location at all time.

## **Withdrawal, Suspension or Cancellation of Petty Cash Float**

The university reserves the right to withdraw, suspend or cancel a petty cash float at any time without notice.

### **Forms:**

1. Petty Cash Claim Form.

<https://www.ucc.ie/en/media/support/financeoffice/agresso/accountspayable/PettyCashFormJanuary2018.pdf>

2. Petty Cash Application form.

<https://www.ucc.ie/en/media/support/financeoffice/fees/formspoliciesprocedures/formbank/PettyCashApplicationForm.pdf>