



PETTY CASH POLICY

INTRODUCTION

To deal with minor expenses, administrative units within ISD need a procedure that is flexible yet consistent with the need to protect the organisation's funds

PURPOSE

This policy seeks to ensure that petty cash floats are established and managed appropriately and that staff and Volunteers are not financially disadvantaged as a result of incurring minor work-related expenses.

POLICY

Administrative units may seek the approval of the President to establish petty cash floats to deal with minor expenses. Any such floats must observe the nominated procedures.

AUTHORISATION

Date of approval by the Management
Islamic Society of Darwin

PETTY CASH PROCEDURES

RESPONSIBILITIES

It shall be the responsibility of the Committee to consider any application by an administrative unit for a petty cash float. If approved, it is the responsibility of the Committee to nominate a Treasurer for that unit. It shall be the responsibility of the Treasurer to manage the amount of the float and to ensure that the procedures specified in this policy are implemented appropriately.

PROCEDURES

Petty Cash Limit

The amount of the petty cash float shall be as determined by the Committee from time to time, but in general should not exceed \$500. Any amount in the petty cash float over \$500 shall be returned to general funds.

Petty Cash Use

Treasurer shall ensure that petty cash is used to cover only those expense reimbursements for which it is not feasible, or for which it is unreasonably inconvenient, to use normal purchasing methods such as purchase orders, purchase cards or staff expense reimbursement. Any expense that is predictable, regular and significant should be dealt with through normal accounting procedures.

The limit of \$500 shall not be evaded through splitting of items into smaller amounts.



Treasurer shall require all expenses incurred using petty cash funds to be substantiated by acceptable supporting documentation such as receipts, tax invoices, invoices, etc., and the documentation relating to each item shall be sufficient to establish the nature of the expenditure.

Treasurer shall retain acceptable supporting documentation of payments from the Petty Cash float and shall submit these with their accounts to the Finance Officer each month.

Treasurer shall report the loss of any Petty Cash funds to Committee as soon as the loss is discovered.

Petty Cash Replenishment

Total yearly petty cash requirements shall be estimated by the Treasurer and submitted to the budget process. The Treasurer can draw on replenishments during the year up to this amount.

If there is a need for additional finance, or if it is desired to increase the amount of the float, a special request must be made to the Committee.

Replenishments should be sought when sufficient funds remain for five business days of expected use.