

St. Joseph's Parish

## **Petty Cash Management Policy**

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**Goal:** To ensure the sound management of petty cash in the Parish and set maximum amounts, as well as identify expenses that may or may not be paid from these funds.

**Background:** The Parish maintains a petty cash box in the upstairs safe and, historically, has used these funds to pay for casual workers/general labourers, provide the Women's Centre with cash advances for their day programs and reimburse staff or volunteers who do not have access to a corporate credit card for minor purchases. The Executive Director serves as the custodian of petty cash.

### **Roles & Responsibilities:**

a) As custodian, the Executive Director manages all petty cash requests and also replenishes the fund; in his/her absence, these amounts may be disbursed by the Lead Receptionist. The staff member requesting reimbursement must produce his/her original receipt and the Executive Director must complete a petty cash receipt form, to be signed and dated by both parties. The Executive Director is accountable for the appropriate use of petty cash funds and for ensuring that the fund balances during each biweekly replenishment.

b) The funds are replenished on a bi-weekly basis by the Director, in order to restore the initial float amount. The Executive Director must submit all petty cash receipts, along with supporting original receipts attached, to the Finance Coordinator.

c) The Finance Coordinator verifies that the petty cash fund has been balanced on a bi-weekly basis, before each replenishment request is processed. Once verification has occurred, the Accountant issues a cheque from the General Fund account, payable to St. Joseph's Parish. The cheque is deposited in the Parish bank account and the petty cash fund is replenished from parking or other front office monies deposited in the safe.

d) The Finance Committee (through the Committee Chair) receives any requests from the Executive Director to increase the balance in the petty cash box, and subsequently submits a recommendation to Parish Council.

**Petty cash fund balance:** The balance in the petty cash fund must be replenished to \$1,000 on a bi-weekly basis.

**Appropriate use of petty cash:** Petty cash may be used to reimburse staff for authorized purchases not exceeding \$75, or to provide cash advances of the same maximum amount. Managers must sign all reimbursement requests when those are submitted by—or on behalf of—their staff, or volunteers. Appropriate expenditures include, but are not limited to:

- a. Food purchases for social services, where credit cards or cheques are not accepted by the merchant;
- b. Remuneration of casual labourers who are employed for one full day or less per bi-weekly pay period;
- c. Approved hardware supply purchases not exceeding \$75;
- d. Approved office supplies, for an amount not exceeding \$75;
- e. Aid to client, for an amount not exceeding \$75.

**Petty cash use is prohibited in the following circumstances:**

- a. For the remuneration of those gainfully employed by the Parish more than one day, or 7.5 hours per biweekly pay period; or for those gainfully and regularly employed by the Parish on six occasions or more in any given calendar year;
- b. For the purchase of gift cards;
- c. For bulk stationery purchases;
- d. For equipment, tools or electronics;
- e. For unbudgeted expenses;
- f. For purchases not previously authorized by departmental managers and approved by Parish Council.

**Safe storage of petty cash:** The Women's Centre excepted, petty cash may only be stored in the safe. Parish funds—regardless of the amount—may not remain in any other office or location over night.

**Women's Centre petty cash:** The Women's Centre maintains a petty cash box with a balance of \$250. The parish replenishes this balance on a biweekly basis, provided that all original receipts are included, thus justifying purchases and reimbursements from the previous period.

**Reimbursements without a receipt:** As a rule of thumb, reimbursements for purchases can only occur when original receipts are provided. In exceptional circumstances only, the custodian may wave this requirement, but will require the claimant or department manager to provide a written and signed justification of the expense and the lack of an original receipt. This rule may only be waived once per calendar year for each claimant.

**Periodic Review:** The Executive Director will provide the Finance Committee with a review/summary of petty cash disbursements twice per calendar year and recommendations on reassessing the balance. Finance Committee may then provide its assessment to Parish Council.