PETTY CASH POLICY

Version Control

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<th>Document Name</th>
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<td>Director of Finance</td>
</tr>
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1. **Introduction**

Petty cash facilities have been made available to provide an efficient means of making payments where the normal financial systems and services cannot meet specific requirements for expenditures. In recent years however, there have been significant developments in the university’s financial systems and services which mean that the requirement for the use of petty cash has diminished.

The introduction of systems such as Travel Portal, Core Expenses and the upgraded financial systems and processes have provided facilities which enable expenses to be advanced / reimbursed before an individual has to settle the related expenditure. As a consequence the policy relating to petty cash has been reviewed and updated.

2. **Scope**

The university provides petty cash facilities to certain units to facilitate the settlement of expenditure incurred during the discharge of functions within the university. This policy sets out the principles, terms and conditions and the procedures governing the issue, use, administration and retention of university 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, its centres and institutes and any wholly owned subsidiary company of the university.

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- a) the terms under which petty cash facilities are issued, operated and withdrawn are clear and understood;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.

3. **Issue of Petty Cash Facilities**

Petty cash facilities will only be issued in line with this policy. Petty cash facilities will only be issued where the applicant has:

3.1 Completed the Petty Cash Application Form (appendix 2) available from the Finance Office;

3.2 Clearly identified in the application form why the expenditure requirement cannot be met through existing financial systems and services;
3.3 Obtained the approval of the relevant line or Faculty manager / authorised official or budget holder; and

3.4 Signed the confirmation (appendix 1) of having read, understood and accepted the Petty Cash Policy and the terms and conditions under which the petty cash facility is issued and operated.

4. Terms and Condition of Use

No university petty cash facilities will be issued, or can be used, except in accordance with this policy. The use of a university petty cash facility is governed by the following terms and conditions.

4.1 The Faculty Manager or Budget Holder is responsible at all times for the proper use of the petty cash facility in line with this policy.

4.2 The university unit as the facility owner is responsible for the safe custody and security of the petty cash facility.

4.3 Reasonable precautions should be taken to prevent fraudulent use of the petty cash facility.

4.4 Petty cash facilities may only be used for bona-fide university business purposes.

4.5 Petty cash facilities must not be used for personal expenditure or for cash advances.

4.6 Any expenditure must be in compliance with the university’s procurement policies and procedures and also in compliance with other applicable university policies, procedures or regulations for example:

(a) the Travel and Subsistence Regulations; or
(b) the Gifts, Entertainment and Sponsorship Regulations.

4.7 Expenditure must be within budgetary limitations and in accordance with any prior approval requirements.

4.8 The petty cash transaction limit must not be exceeded unless approved by the Finance Office.

4.9 The petty cash holder must return an analysis of the expenditure incurred (see example in appendix 3) through the use of the petty cash facility within the timeframe required under this policy as set out in Section 6.
4.10 The analysis of spend must be accompanied by original receipts for all expenditure; copies alone are not sufficient. It is to be noted that where the expenditure is included in a research funding claim, non-receipted items may be deemed ineligible by the external funder.

4.11 Where proper receipts are not made available the reason why must be set out in the expenditure analysis.

4.12 All petty cash expenditure returns must be signed by the manager. The expenditure returns will be reviewed in the Finance Office. Where queries arise they may be raised directly with the manager.

5. **Withdrawal, Suspension or Cancellation of Petty Cash Facilities**

The university reserves the right to withdraw, suspend or cancel a petty cash facility at any time without notice. In addition, petty cash facilities may be withdrawn, suspended or cancelled if:

5.1 The reason(s) for the petty cash facility being issued in the first instance is/are no longer valid;

5.2 There has been a breach of the terms and conditions of use;

5.3 The level of expenditure is too low to justify the continued use of the facility;

5.4 The expenditure requirements can be satisfactorily met through other university systems, processes or procedures;

5.5 The petty cash facility holder fails to make timely returns of expenditure as required under this policy.

6. **Administration**

A detailed analysis of petty cash expenditure for each month, including supporting receipts, must be returned to the Finance Office by the 5th of the following month. An Excel template is available from the Finance Office for this purpose. Supporting documentation for all expenses incurred must be retained and returned with the expenditure analysis.

In relation to the operation of the petty cash facilities the following principles must be adhered to by all facility holders and staff.
1. The monthly analysis of petty cash transactions will be documented using a spreadsheet template which is available on a shared drive (Appendix 3). The monthly analysis will document the following details:
   a. name of the person receiving the cash;
   b. reason for payment;
   c. amount paid;
   d. date paid;
   e. financial expense code(s) to be charged.

2. Staff in receipt of petty cash will be required to sign a petty cash voucher for the sum requested. The vouchers and original receipts are to be cross referenced to the monthly analysis of petty cash expenditure.

3. A float of up to €300 may be kept in each approved unit by the petty cash holder and a cheque is issued at the start of each month to reimburse the petty cash float.

4. The float may be topped up when required by completing an expenditure requisition form and sending to Accounts Payable in the Finance Office.

5. Completed monthly analysis forms (with relevant receipts) must be submitted to the Finance Office in a sealed envelope each month by the unit holding the facility.

6. Each petty cash voucher must be countersigned or authorised by the relevant line manager.

7. There is a limit of €50 on any one item claimed unless otherwise authorised by the Finance Office.

8. As petty cash transactions must be recorded each month in the university’s general ledger the petty cash monthly returns (Appendix 3) are to be emailed to susan.mclean@dcu.ie in the university’s Finance Office (and to the relevant campus company accountant where applicable).

9. The Finance Office will audit payments for correct authorisation and documentation.

10. The university’s travel and expense regulations and guidelines apply to all payments.

11. Petty cash box must be kept in a secure environment.

12. All petty cash payments must be made from the petty cash float only. Any cash received from sales or other cash receipts must not be used to make petty cash payments. All cash receipts should be forwarded to the Finance Office separately.
7. **Misuse Petty Cash Facilities**

Staff who breach this policy may be subject to disciplinary proceedings which may result in disciplinary action up to and including dismissal.

8. **Review Process**

Petty cash transactions will be subject to an annual audit. The petty cash recorded will be checked to ensure that only legitimate items have been paid from the floats, that all receipts are available and that the petty cash float balances to the original value.
Dublin City University
Petty Cash Facility Acceptance Statement

I hereby accept the receipt of Petty Cash Facility ______________ and agree that it belongs to Dublin City University.

I agree that the university’s petty cash is for authorised business use only as set out in the Petty Cash Policy and I accept that I am responsible for all purchases made through the petty cash facility.

In accordance with the policy, a monthly schedule of transactions will be prepared, and submitted for approval and Posting on Agresso.

I understand that the misuse of the Petty Cash Facility, or failure to account monthly for the transactions, will lead to the Petty Cash Facility being rescinded.

I, ________________________, confirm that I have read the above terms and conditions and the University Petty Cash Policy and agree to abide by them.

Signed: ________________________________

Date: ______________________________

The unauthorised use of a Petty Cash Facility, or failure to follow the rules set out on the DCU Petty Cash Policy, may lead to disciplinary action which could result in dismissal.
10. Appendix 2

Petty Cash Facility Application Form

The Finance Director
Dublin City University
Glasnevin
Dublin 9

Applicant’s Name:  ___________________________________________
Title:  ______________________________________________________
Department:  _________________________________________________

Outline business case for Petty Cash Facility.

Reasons why existing systems and procedures cannot cater for this.

Signatures

Applicant:  ___________________________  Date:  ____________

Approver:  ___________________________  Date:  ____________
11. Appendix 3

Example of a Petty Cash Monthly Return

<table>
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<tr>
<th>Date</th>
<th>Account</th>
<th>Sub Costcentre</th>
<th>Payee</th>
<th>Staff ID If Applicable</th>
<th>Description</th>
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