# FINANCIAL POLICIES AND PROCEDURES

## SECTION 5: OPERATING EXPENDITURE & PAYABLES

## POLICY 4: PETTY CASH & EXPENSE CLAIMS

### Policy Rationale

[organisation] will keep a small petty cash float for general expenses, where it is not feasible to pay for those expenses via [organisation]’s accounts payable or credit card.

Where staff incur expenditure personally, on behalf of [organisation], [organisation] will endeavour to reimburse staff for authorised expenditure in a prompt manner.

### Policy Statement(s)

The CFO / Finance Manager shall determine the amount of any petty cash float which shall hold no more than $[100] to be replenished when required. This will be securely stored in a locked box at all times.

Petty cash expenditure will:

1. Be the responsibility of, and managed by an appropriately delegated, and trained member of staff (e.g. Receptionist, Office Manager)
2. Be recorded and reconciled in an accurate and prompt manner
3. Be supported by a receipt or tax invoice
4. Only be used for general expenses of less than $100 (e.g. milk, stamps)
5. Not be used for any advances, traffic fines, reimbursement of gifts or personal loans or expenses
6. Be reviewed by [organisation]’s CFO / Finance Manager, on submission of a petty cash float replenishment

[organisation]’s CFO / Finance Manager shall promptly report any irregularities in petty cash expenditures to [organisation]’s CEO and Audit, Finance & Risk Committee.

[organisation] will authorise and reimburse staff (via accounts payable) for any expenditure made personally by staff on behalf of [organisation] where:

1. The staff members have incurred those expenses in accordance with [organisation]’s Delegated Authorities
2. The expenditure is authorised in advance and supported by supplier tax invoices and evidence of payment or if reimbursement for use of personal vehicle support for kms driven and purpose of travel
3. An accurate expense claim form is completed, approved by the staff member’s manager and forwarded to [organisation]’s finance staff as soon as practicable subsequent to the expenditure being incurred

[organisation] will endeavour to reimburse staff expense claims in a prompt manner.

### Policy Implementation and Related Procedure Documents

The implementation and review of these Petty Cash & Expense Claims policies are the responsibility of [organisation]’s Audit, Finance & Risk Committee.

The [organisation]’s CFO / Finance Manager will implement procedures and appropriate training for the administration and monitoring of Petty Cash expenditure. They will also implement procedures for the generation and processing of staff expense claims.

The following [organisation] policies and frameworks should be referred to in this regard:

* Finance Manual
* Delegated Authorities Policy
* Budgeting & Forecasting Policy
* Accountability, Internal Controls & Audit Policy
* Financial Systems & Procedures Policy
* Fraud Policy
* Travel & Entertainment Policy
* Purchasing & Payments Policy
* Bank Accounts Policy
* Tax & Charitable Status Policy
* Tax (Non-Charitable Entity) Policy

### Legislative Compliance Considerations

* Goods and Services Tax Act 1985
* Tax Administration Act 1994

### Review Protocol

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| --- | --- |
| Policy Reviewed By: | Audit, Finance & Risk Committee |
| Date Reviewed: | [Date] |
| Next Review Date: | [Date] |
| Revokes Policy Reviewed: | [Date] |