

**BARNSLEY CLINICAL COMMISSIONING
GROUP**

PETTY CASH PROCEDURE

Version:	1.0
Approved By:	Audit Committee
Date Approved:	31 July 2014 (approved)
Name of originator / author:	Deputy CFO
Name of responsible committee/ individual:	Audit Committee
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Date issued:	July 2014
Review Date:	2 years from date of implementation.
Target Audience:	Employees, contractors, employees of other organisations engaged to work on the premises such as Governing Body Members, volunteers, visitors and patients at the point of service delivery.

Contents

Page

Introduction	3
Purpose	3
Roles & Responsibilities	3
Petty cash expenditure and reimbursement	3
Claiming Reimbursement via petty cash	4
Claiming reimbursement via Petty Cash - Exclusions	5
Replenishment of petty cash float	5
Setting up a petty cash float on Oracle	6
Check balance of the petty cash float	7
Receipting petty cash into Oracle	7
Reimbursing the petty cash float	7
Associated Documents/Systems	7
Monitoring & Compliance	7
Appendix A	8
Appendix B	9
Appendix C	10
Appendix D	11

Introduction

The purpose of this document is to detail the steps taken within Barnsley CCG to effectively and efficiently manage petty cash.

This procedure should be read in conjunction with the ISFE User Guide.

Purpose

The purpose of this procedure is to ensure that all employees are aware of when and how petty cash can be used in the activities of the organisation and full compliance is maintained.

The aim of this procedure is to ensure that all staff are fully informed of the guidelines as to how petty cash will be used and administered.

Roles and Responsibilities

The Chief Finance Officer and the Finance department has overall responsibility to ensure full compliance with the petty cash policy and procedures.

Petty cash expenditure and reimbursement

This procedure applies to the reimbursement of petty cash expenditure made by employees of Barnsley CCG from approved petty cash floats. The procedure operates in accordance with the organisation's Scheme of Delegation.

Petty cash purchases should be restricted to those items that are necessary for the performance of official duties for which it is either:

- unreasonable or impractical to purchase via the requisition route; or
- poor value for money if invoiced (e.g. where there is a minimum order value for credit terms); or
- a case of genuine emergency.

Petty cash floats must **not** be used to avoid raising a requisition: because of failure to plan the work properly; or to avoid the authorisation process.

This is to ensure that:

- there is adequate internal control and segregation of duties;
- purchases are recorded against any existing contracts or orders;
- Budget Holders authorise expenditure in advance and are aware of all commitments against their budget;
- there is a record in the purchase ledger to support future negotiations with suppliers.

As such, the use of petty cash must be restricted to ensure that there are adequate internal controls and that expenditure is authorised as per the Scheme of Delegation.

Claiming Reimbursement via Petty Cash

The petty cash float must be held securely by the Float Holder and reimbursements should only be made by the Float Holder or the nominated Float Holder Deputy(s).

Anyone requesting reimbursement via petty cash must obtain a Petty Cash Voucher from the Float Holder. A copy of the voucher is shown in Appendix A. The reason(s) for not raising a requisition and alternative methods of obtaining the goods or services will be discussed before a Petty Cash Voucher is issued.

1. Petty Cash may only be used to claim reimbursement of small incidental items of expenditure.
2. Any large or regular ordering of goods /services must be done through e-procurement.
3. The maximum amount that may be claimed in respect of any single item of expenditure through the petty cash system is £100.
4. It is the responsibility of the staff member making the purchase to ensure that the Budget Holder is aware of the intention to seek reimbursement via petty cash before the expenditure is incurred.
5. Petty cash Voucher must be approved in line with the CCG Scheme of Delegation
6. Staff should not automatically assume that they will be reimbursed for expenditure incurred without the prior approval of the Budget Holder.
7. Petty Cash Expenditure Voucher must be properly completed .It should be signed by both the person giving the cash and the person receiving it.
8. Valid receipts are required prior to reimbursement. All expenditure must be supported by an original, written receipt which shows the supplier, date, amount paid and a description of the item(s). Photocopies of receipts will not be accepted - in the event of a receipt being lost, an explanatory memo must be signed by the authorising officer.
9. If the Authorised Budget Holder is claiming the petty cash, they cannot approve the Petty Cash voucher themselves.
10. Advances of petty cash will only be made in exceptional circumstances.
11. The authorising officer should ensure that the correct financial code is quoted on the Petty Cash Voucher before authorising it.

Claiming Reimbursement via Petty Cash – Exclusions

The following items cannot be reimbursed via petty cash:

- Staff advances
- Staff travel/parking/petrol (this should be submitted to payroll on appropriate “Payroll Expense Claim Form”)
- Catering supplies, food or beverages (unless below £100) excluding tea/coffee/milk
- Publications
- Uniforms
- Subscriptions

Replenishment of petty cash float

The Petty Cash Float will be at £200. The Petty Cash Vouchers will be checked and balanced at least monthly by the Float Holder. Replenishment of the petty cash float will occur each time the balance held drops below the defined limit of £100.

- 1 Imprest Claims are checked by a member of the Accounts Payable team. They are checked for:
 - a. the correct opening float,
 - b. correct additions,
 - c. completeness and correctness of supporting vouchers,
 - d. the imprest holders signature, and
 - e. the imprest form is then initialled.
- 2 The details of each claim are logged in the Petty Cash File. Imprest number, date received, amount, cheque payee and float are recorded.
- 3 The cash breakdown forms (copies of those submitted when ordering cash) are checked to ensure that they agree with the imprest form.

When Petty Cash is claimed, the cash reimbursed should be entered on the PETTY CASH SUMMARY SHEET. Copy attached in Appendix B.

On a monthly basis the following process is followed:

Add up all reimbursements; fill in the top right hand side of the sheet – Amount Spent. Then enter what money is left in the Petty Cash Tin – Cash IN Hand. When added together these should all add up to the total imprest of the petty cash total balance.

Cash in Hand: _____	Amount _____	Spent: _____

Stamps in Hand: _____	Cash _____	in _____
_____		Hand: _____
Sub Floats: _____	Stamps _____	in _____
_____		Hand: _____
Reimbursement Claimed: _____	Sub _____	Floats: _____

Total Imprest: _____	Total _____	Imprest: _____

Fill in a new Petty Cash Summary Sheet for the new week, entering the above information on the left hand side of the sheet.

Collate any pre-ordered cash requests and, along with the Petty Cash Reimbursement Sheet, enter all these on the Petty Cash Order Sheet. This needs to be authorised by the Deputy Chief Finance Officer or Chief Finance Officer and, once authorised, the cash can then be ordered from the appointed Security Carrier – See Appendix C.

Once all these processes have been completed manually, the corresponding transactions need entering and accounted for on the ledger.

Setting up a petty cash float in Oracle

To set up a petty cash float in Oracle, the steps detailed in the ISFE SBS AR Trust Receipting User Guide should be followed.

Check balance of the petty cash float

Before receipting any Petty Cash, the float needs to have been set up.

To check if this has been done, the steps detailed in the ISFE SBS AR Trust Receipting User Guide should be followed.

Receipting petty cash into Oracle

Before petty cash is receipted you will need to complete the Petty Cash receipt naming convention – See Appendix D.

All Petty Cash transactions are treated as 'Miscellaneous' receipts and the payments are entered as **negative** amounts.

To receipt petty cash in Oracle, the steps detailed in the ISFE SBS AR Trust Receipting User Guide will be followed.

Reimbursing the petty cash float

The Petty Cash Float can be replenished at any time.

Whenever the petty cash float is replenished this should be recorded in Oracle. The detailed steps included in the ISFE SBS AR Trust Receipting User Guide should be followed.

Associated Documents/Systems

The ISFE user guide found on the ISFE website details the specific steps to be taken within the ISFE Oracle system relating to petty cash.

Monitoring & Compliance

This is monitored by monthly control accounts.

Appendix B

Barnsley CCG

Sheet No 001

PETTY CASH DISBURSEMENTS

ANALYSIS OF PETTY CASH IMPREST

End of Previous Period		End of Current Period	
	£ p		£ p
Cash in Hand	_____	Reimbursement Claimed	- _____
Stamps in Hand	_____	Stamps in Hand	_____
Cash repaid to Bank	_____ -	Sub Floats	- _____
Reimbursement Claimed	_____	Cash in Hand	_____
Total Imprest	=====	Total Imprest	=====

Line No	Date	Details	Code	Signature	Amount
001					
002					
003					
004					
005					
006					
007					
008					

Appendix C

Cash Ordering from a Security Courier

Once it has been decided how much cash and denominations is needed:

- 1 Call the Security Courier
- 2 Provide our unique site reference number
- 3 Stating the purpose of your call, i.e. to order cash
- 4 Provide the total amount to be delivered and the denominations required

