Petty cash procedure

Management & administration of Petty Cash is governed by the University's Treasury policy QA300, the relevant extract of which is outlined in **Appendix A** herewith. This document details the procedure for operating petty cash within NUI Galway.

Appropriate use of petty cash

Petty cash may only be used to cover small incidental items of necessary business expenditure, which cannot be procured through the University's procurement system such as emergency postage stamps, (University's mailroom has a franking machine service) or letter registration costs, emergency key cutting (University's security service administer key-cutting via invoice from a local service provider) and incidental office supplies. Individual items of expenditure should not exceed €50.

Inappropriate use of petty cash

Under no circumstances should petty cash be used for:

- Payment of salaries & wages, including casual staff;
- Reimbursement of staff travelling, subsistence or other expenses, e.g. bus, taxi or train fares;
- Staff presents such as gifts, cakes, cards;
- Staff flowers;
- Staff lunches and meals;
- Staff entertainment;
- Staff cash advances;
- Items covered by procurement contracts e.g. stationery;
- Donations;
- Parking fees or fines;
- Hospitality.

Petty Cash Float

Budget holders should assess their petty cash requirements and hold the minimum balance possible whilst meeting operational requirements. It is recommended that this limit should not exceed €50. Budget holders must ensure that the petty cash float is kept is a secure and locked location at all times.

Where a budget holder requires a float in excess of the policy maximum a written request must be made to the Director of Financial Accounting or Bursar for authorisation if appropriate. .

Petty Cash Replenishment

Petty cash may be replenished when the float is exhausted or has reduced to a very low level. Petty cash is replenished on an imprest system by completion of the form at **appendix B herewith**. Expenditure incurred must be fully coded and analysed on the form and where appropriate a

justification of the expenditure or the amount of expenditure should be included. At a minimum, this should be done on an annual basis in advance of the financial year-end i.e. 30th September each year so that expenditure incurred can be recorded in the correct financial year under the correct expenditure account codes. The budget holder must keep the original receipts for a minimum of seven years for audit purposes.

Verification

The Bursar's office reserve the right to perform spot checks on petty cash floats, receipts and records. Failure to comply with the University's policy and procedure on petty cash will result in the facility being removed and budget holders may be requested to reimburse the University for inappropriate use of University funds.

The Bursar

4th September 2019

Appendix A – Extract from Treasury Policy QA300

6.0 PETTY CASH

6.1 The vast majority of suppliers are happy to accept University Purchase Orders for goods/services, hence, the requirement for petty cash is minimal. Subject to strict compliance with Procurement Regulations, University units may maintain a petty cash float to defray small value items of expenditure where they could not be procured by Purchase Order.

6.2 Any unit forced to making use of Petty Cash may not hold more than €250 except in the case of central accounts where the maximum holding is €8,000.

6.3 A secure cash box shall be procured for the purpose of storing any such petty cash float and it shall be kept locked in a secure location.

6.4 Any such petty cash float shall be operated on the "imprest" system, i.e. a written/computer record of each receipt and disbursement shall be maintained so as to record the running balance. When the running balance drops to below €100, it may be replenished to the full float value of €250.

6.5 Replenishment shall be made by authorised collection from the Financial Accounting office.

6.6 In addition to the written/computer record kept in the department/research centre, each item of Petty Cash income or expenditure shall be supported by a voucher or third party receipt. Each supporting voucher/receipt shall be assigned a serial reference number to facilitate ease of recognition and retrieval, and shall be stored for audit inspection.

6.7 Any applicable Petty Cash balance on hand shall be counted at least once per annum and reconciled to the written/computer record. Any discrepancies shall be noted with a full explanation of the cause(s).

NUI Galway
OÉ Gaillimh

Appendix B

NUIG – Petty Cash Release Form

Accounts Office,
The Quad, NUI Galway
Galway, Ireland

Opening Hours: 11.30 – 12.30 and 2.30 – 4.00

Please complete the sections below:

1	**Amount Requested as itemised below:**	
2	**Cost Centre**	
3	**Department**	
4	**Budget Holder Name (Print)**	

Details of purchase with petty cash

Description of purchase	Expense Code	Amount	Justification
Total		€	

Declaration:

I declare that in drawing down the amount requested above, I am adhering to the Petty Cash Policy as part of NUI Galway's Treasury Management Policy QA 300 and procedure approved by UMT XXth September 2019.

For NUI Galway's full Treasury Management Policy, please refer to the following link:

https://staff.intranet.nuigalway.ie/policies/Lists/Policies%20%20Procedures/AllItems.aspx

Budget Holder Signature: _____ Dated:_____

Cash Received by: (signed) _____ Dated:_____

Sign on receipt of Cash (Do not sign beforehand)

Cash Received by: (Print Name) _____

Note:

- **Petty Cash is to cover minor expenses that do not exceed € 50 per item.**
- **See the following link regarding purchasing goods and services on behalf of the University.** http://www.nuigalway.ie/procurement-contracts/stepbystepguide/centralisedcontracts/