



# Procedure: Petty cash

## Purpose

To inform staff of petty cash procedures.

## Procedure

### Petty cash advance

1. A Petty cash advance must:
  - have a request that is supported by the Head of Budget Unit (on the prescribed form).
  - have a petty cash custodian nominated (and a backup petty cash custodian);
  - comply with the safe storage provisions (refer to [Petty Cash webpage](#) for more details);
  - not be greater than \$500 (see calculating the amount of petty cash required below)
  - be reconciled & replenished a minimum of every financial period (ie 4 weeks); and
2. Only staff that are [approved signatories](#) lodged with the Service One (bank) agency (and who provide photo ID) are eligible to collect petty cash from Service One (bank).

### Valid petty cash transactions

3. When an employee does not have an ANU Purchase Card and/ or the amount is less than \$10;
4. The transaction should be less than \$75 (GST exclusive) to enable the GST to be automatically claimed.

### Invalid petty cash transactions

5. Petty cash transaction which are not permitted are:
  - Cashing cheques;
  - Temporary loans;

- Purchase of goods that are readily available from approved suppliers (such as petrol from Caltex, or Office Stationery suppliers from Corporate Express) or an ANU store;
- Allowances (eg per diems or car allowances that have taxation implications);
- Prepayments – these should be done via accounts payable or ANU Purchase Card; and
- Payment of creditors' accounts.

### **Calculating the Amount of Petty Cash Required**

6. Business areas should regularly review their petty cash history to see whether a staff member has received multiple petty cash reimbursements, and if so consider the need for an ANU Purchase Card.
7. Business areas should review the number of times that the petty cash advance is reconciled and replenished. Petty cash should be being reconciled at least every period and replenished every period.
8. Business areas with large petty cash floats (i.e. greater than \$200) should reconcile and replenish their petty cash every fortnight.

### **Change Floats**

9. A cash float is a float that may be used by approved receipting points to ensure that there is sufficient change available to undertake transactions.
10. The broad principles of keeping change floats secure are as per the petty cash procedures and [Petty Cash webpage](#) information.

## Document information

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