

UNIVERSITY OF MANITOBA PROCEDURE

Procedure:	PETTY CASH
Parent Policy:	Petty Cash Policy
Effective Date:	April 23, 2008
Revised Date:	March 18, 2014
Review Date:	March 18, 2024
Approving Body:	Vice-President (Administration)
Authority:	
Responsible Executive Officer:	President, delegated to the Vice-President (Administration)
Delegate:	Comptroller
Contact:	Comptroller
Application:	All Employees

Part I Reason for Procedure

- 1.1 The purpose of this document is to set out Procedures secondary to the Petty Cash Policy in connection with:
- (a) Identifying procedures for use, control, and responsibility for safeguarding petty cash;
 - (b) Identifying allowable expenditures that can be made using petty cash; and
 - (c) Identifying petty cash replenishment procedures and documentation requirements.

Part II Procedural Content

Introduction and Application

- 2.1 All University petty cash fund expenditures, regardless of the ultimate source of funding, are covered by this Procedure.
- 2.2 All staff who are responsible for maintaining a petty cash fund should be provided with a copy of this Procedure, or the address of the governance website at www.umanitoba.ca/governance/.
- 2.3 The term “custodian” in this document refers to the University employee who has been approved on the Request for Petty Cash Fund form as the individual responsible for the petty cash fund.

Appropriate Use, Control and Safeguarding of Petty Cash

- 2.4 The Petty Cash Fund must at all times contain the sum total of the authorized amount in cash, chit and/or receipt vouchers.
- 2.5 Once each quarter whether replenishment is required or not, the custodian shall prepare a reconciliation of the petty cash funds comparing the total of cash, chits and receipts to the authorized amount of petty cash. The one-over-one approving authority should review, date, and sign each reconciliation. The custodian shall retain the reconciliations on file for a period of two years.
- 2.6 Requests for new petty cash funds or increases to existing funds are to be made to Travel Services by completing the Request for Petty Cash Fund form. This form is available on the Financial Services website.
- 2.7 In order to change the custodian of a petty cash fund, a new Request for Petty Cash Fund must be submitted to Travel Services. To close out a petty cash fund the custodian must complete the petty cash replenishment and reconciliation form, checking the reconciliation and close out box.
- 2.8 The custodian is responsible to ensure proper safeguards are in place to protect petty cash funds. As a minimum, petty cash funds should be kept in a locked cash box and secured in a locked facility. Access to the funds should be restricted to the custodian.
- 2.9 In the event of a theft, the custodian and department are responsible for immediately reporting the theft to Security Services, the Dean, the Unit Head and Financial Services.
- 2.10 Any losses or shortages in the petty cash fund will be charged to an Operating Fund/Organization/Program (FOP) of the Faculty or Unit and may result in the withdrawal of petty cash privileges.

- 2.11 Petty cash funds are subject to a count or audit at any time by University auditors, a representative of Financial Services or the Dean, Director or Department Head or designate.
- 2.12 Petty cash funds will be verified annually at March 31. A confirmation will be sent by Financial Services to be signed by the custodian and returned to Financial Services.

Allowable Petty Cash Fund Expenditures

- 2.13 Petty cash funds should only be used where the purchase cannot be made within EPIC, the supplier will not accept payment using a procurement card, or other approved purchasing methods are not practical. For more information on available purchasing methods, please contact Purchasing Services.
- 2.14 Petty cash funds should only be used to acquire minor or emergency materials and supplies. Wherever possible, expenses should be reimbursed using Concur instead of the petty cash fund.
- 2.15 Individual petty cash transactions should not exceed \$100. Larger expenditures may be made in special circumstances with prior approval from Travel Services.
- 2.16 Petty cash funds shall not be used for any other purpose such as personal loans, cashing cheques, meals and entertainment, or for salaries, wages or honoraria.

Petty Cash Fund Replenishment Procedure

- 2.17 The Petty Cash Replenishment and Reconciliation form should be used for the reconciliation of the fund.
- 2.18 Petty cash fund expenditures must be supported by the original cash register or paid invoice receipts.
- 2.19 If a receipt cannot be obtained immediately the person receiving the funds must sign a chit indicating the amount of funds received. A receipt should be provided at the earliest opportunity.
- 2.20 It is the responsibility of the custodian to ensure that the Petty Cash Reimbursement Form is submitted to Travel Services in a timely and accurate manner, prepared and approved in accordance with section 2.23 to 2.29. Forms up to \$200 may be submitted directly to the Cashier's Office.
- 2.21 The Petty Cash Fund shall not be reimbursed by any source of funds other than by completing a Petty Cash Reimbursement Form. It is not acceptable to use cash receipts (for example, locker rental fees) to replenish petty cash.
- 2.22 Copies of submitted Petty Cash Reimbursement Forms shall be kept in department/faculty files for FOP reconciliations.

Approvals and Responsibilities

- 2.23 The custodian is responsible for ensuring that claims for expenditures are accurate and in accordance with University Policy.
- 2.24 The individual approving the claim is responsible for ensuring that the expenses were incurred for University business purposes in accordance with University Policy.
- 2.25 The rule for approval is “one-over-one”. All Petty Cash Reimbursement Forms must be signed by the custodian and approved by a senior person who is on an organizational level above that of the custodian and will normally be the person to whom the custodian reports.
- 2.26 Note that “one-over-one” approval authority cannot be delegated. The more senior person must personally sign the Petty Cash Reimbursement Form to indicate approval. If the custodian’s direct “one-over-one” signing authority is unavailable the form must be signed by the signing authority’s “one-over-one”.
- 2.27 Petty Cash Reimbursement Forms that do not conform to this Procedure will be returned to the custodian for adjustment or completion.
- 2.28 All reimbursement of expenses are subject to review and adjustment as a result of a subsequent audit.
- 2.29 Petty Cash Reimbursement Forms are available on the Financial Services website.

Part III Accountability

- 3.1 The Office of Legal Counsel is responsible for advising the Vice-President (Administration) that a formal review of this Procedure is required.
- 3.2 The Comptroller is responsible for the implementation, administration and review of this Procedure.
- 3.3 All University Employees are responsible for complying with this Procedure.

Part IV Review

- 4.1 Governing Document reviews shall be conducted every ten (10) years. The next scheduled review date for this Procedure is March 18, 2024.
- 4.2 In the interim, this Procedure may be revised or repealed if:

- (a) the Vice-President (Administration) for Approving Body deems it necessary or desirable to do so;
- (b) the Procedure is no longer legislatively or statutorily compliant;
- (c) the Procedure is now in conflict with another Governing Document; and/or
- (d) the Parent Policy is revised or repealed.

Part V
Effect on Previous Statements

- 5.1 This Procedure supersedes all of the following:
- (a) all previous Board of Governors/Senate Governing Documents on the subject matter contained herein; and
 - (b) all previous Administration Governing Documents on the subject matter contained herein.
 - (c) Policy 305 – Travel Petty Cash Expense Claim Procedures

Part VI
Cross References

- 6.1 This Procedure should be cross referenced to the following relevant Governing Documents, legislation and/or forms:
- (a) [Petty Cash Policy](#);
 - (b) [Financial Administration and Control of Research and Special Funds](#); and
 - (c) [Travel and Business Expense Claim Policy](#).