

VIC JUBA COMMUNITY THEATRE POLICY

Title: Petty Cash
Effective: February 21, 2006



Purpose and Use

- Petty cash can be used for reimbursement of small, incidental expenses when it is infeasible or impractical to use normal purchasing means.
- The amount of the Petty Cash Fund shall be \$200.
- The maximum expenditure for any one purchase through the use of petty cash is \$25.
- Petty cash should be kept to a minimum.

Accounting & HR Administrator

- The Accounting & HR Administrator shall serve as the Petty Cash Custodian. For the purpose of this policy, the Accounting & HR Administrator shall be known as the 'Custodian'.
- The Custodian is responsible to ensure that the petty cash fund is secured in a cash box at all times in a locked cabinet.

Authorization

- The General Manager must approve each transaction prior to reimbursement.
- The Custodian may not approve a reimbursement to himself or herself from the Petty Cash Fund. The Custodian must obtain an approval signature from the General Manager to be reimbursed from Petty Cash.
- The General Manager may not approve a reimbursement to himself or herself from the Petty Cash Fund. The General Manager must obtain an approval signature from the Treasurer or Board Chairman to be reimbursed from Petty Cash.

Documentation

Each transaction will be documented properly in the following manner:

- An original receipt for each transaction must be attached to the petty cash reconciliation form
- The disbursement is recorded in detail on the petty cash form.

Responsibilities

- It will be the responsibility of the Custodian to ensure that this fund is used to cover only those expense reimbursements for which it is not possible or impractical to use normal purchasing methods.
- The Custodian disburses cash from the petty cash fund provided that an approval signature has been obtained. The Custodian is responsible to ensure an original receipt is obtained and attached to the petty cash reconciliation form. The Custodian is responsible to perform a full reconciliation of the Petty Cash Fund upon reimbursement of the fund, which he/she will provide to the Treasurer.

Regardless of the funds remaining in petty cash at year end, the custodian will replenish the fund.

Petty Cash Advances

- Advances from the Petty Cash Fund are not permitted. All disbursements by the Custodian must only be made after obtaining an original receipt and receiving approval from the General Manager to reimburse the expenditure.

Ineligible Petty Cash Expenditures

Petty cash should **not** be used for the following:

- Payments to vendors who submit invoices. Invoices will continue to be processed by the General Manager for payment by cheque. Each cheque is required to be co-signed by the Treasurer or the Board Chairman.
- Payments to employees, casual help, or volunteers for services, awards, or bonuses. These payments must be processed through the Accounts Payable/Payroll process.
- Personal borrowing (IOUs).

Fund Reimbursement Process

- When the custodian determines that replenishment of the fund is required, the custodian should complete the petty cash reconciliation form and forward it, along with a request to replenish the fund, to the Treasurer.
- Before being submitted, this reimbursement request must be approved by the General Manager.
- The Treasurer will audit the petty cash reconciliation form to ensure that proper documentation has been provided.
- Once the audit is completed and the reimbursement request approved, a cheque will be prepared for fund replenishment. Funds may not be

transferred from the box office, concession, merchandising cash box, or the theatre safe.

Changing the Fund Amount

An increase to the Petty Cash Fund is subject to the approval of the Board of Directors.

Changes to the Policy

Revisions to this policy are the responsibility of the Finance & Admin Committee and must be approved by the Board of Directors.