

Petty Cash Procedures For Schools

The holder of an Imprest account is required to fulfil three obligations:

- To keep the cash in a secure place at all times.
- Be able to demonstrate, on request, that cash and vouchers add up to the Imprest amount.
- Complete a certificate of cash vouchers held, at 31 March every year.

Operating Procedure

1. On starting a Petty Cash Imprest account, the account holder will be sent a cheque from the Finance Department payments section. This cheque may be cashed and the account holder is then individually responsible for the imprest.
2. A receipt or evidence of purchase (Petty Cash Voucher) must back up each item of expenditure. A receipt should be sought in all instances.
3. After every transaction, record details on the claim form. At regular intervals check that the cash held plus the receipts held plus the outstanding claim (if any) add up to the total imprest amount.
4. If money is to be issued to staff other than the imprest holder, for minor purchases, ensure that a petty cash voucher is completed and signed by the recipient. When the person returns with the goods, receipt and the change and the amounts add up to the amount on the petty cash voucher, you rip up the voucher in their presence to signify that they do not owe anything to the account. This must be effected before the end of the 24 hours in which the petty cash was issued. If no receipt is returned, the change should be deducted from the total on the petty cash voucher and the voucher retained as a receipt.
5. In the absence of the Imprest holder, the account holder must nominate a responsible person to act as substitute. The substitute must sign for the duplicate key in the presence of the account holder.

6. If, for any reason, cash is issued without the Imprest Holder being present, the issuer must sign the petty cash claim form sufficiently clearly to be identifiable by the Imprest Holder. Please note that transactions without the Imprest Holder are outwith good working practice except where unavoidable e.g. through staff illness.
7. If the extended absence of the Imprest Holder is foreseen, the cash and receipts must be balanced to the Imprest amount before the absence starts. If the absence is not foreseen, it must be balanced in the presence of another senior member of staff.
8. If there is a discrepancy, please contact the Department of Education for guidance without delay. Under no circumstances should discrepancies be supplemented by cash from other sources.
9. Items of income received must not be paid into the Petty Cash but must be kept separate (moneybag with banking details) until such time as it can be deposited in the Council's bank account (see "Cash Handling Procedures").
10. Imprest accounts are for minor items and a limit on the size of payments may be fixed from time to time. In appropriate cases (large items or quick turnover) the Director of Finance may open a National Giro Bank account for use by an imprest holder. Such accounts, must not be allowed to become overdrawn.

Submission of claim form

The creation of a cash book is not necessary in your particular case due to the size and limited turnover of the imprest. The claim form should be used instead of a ledger in the following manner:

1. Fill in the claim form as required.
2. When you are ready to submit a claim to top up your account, total the columns and fill in the appropriate boxes. Remember to certify by signing at the top of the form.
3. Please note that signing the claim form certifies that the total of the cash on hand, plus the receipts held, is equal to the Imprest amount.
4. You should then attach a completed coding slip to the top copy (along with receipts) and send to the person responsible for processing your invoices (details in Section P6 – Other Financial Information: item 9); allowing about two weeks before you should expect reimbursement. This means you should claim while you still have enough money left to last two weeks. Claim as often as you need so that you do not run out.
5. The yellow copy of each claim form should be kept in an appropriate file for year end reconciliation. This acts as your ledger for audit purposes.
6. Once you have completed your claim form the total is of importance to you. This total is the amount that will be charged to your budgets (usually either your postages or capitation budget depending on the type of purchases made) to reimburse your petty cash account. This means that you must add these figures to your summary sheets/ budget monitoring spreadsheet to keep your running total accurate.

