

Authority: Section 3.57 Local Government Act 1995 (WA) (CI); Section 4 Local Government (Functions and General) Regulations 1996; Local Government (Functions and General) Amendment Regulations 2007

## **Financial Policy 2-1 – PURCHASING – Petty Cash**

### **Objective**

- To provide compliance with the Local Government Act, 1995 and the Local Government Act (Functions and General) Regulations, 1996 (as amended in March 2007).
- To deliver a best practice approach and procedures to Petty Cash purchasing for the Shire of Christmas Island.
- To ensure consistency for all purchasing activities that integrates within all the Shire of Christmas Island operational areas.

### **Policy**

The Shire of Christmas Island shall have a Petty Cash reimbursement system for staff to obtain reimbursements for approved work purchases of less than \$50.

The Shire of Christmas Island shall have a float of \$500 in cash in a secured box under the care of the Executive Assistant for this purpose.

All requests for Petty Cash reimbursements must be made on the approved form, the Petty Cash reimbursement form.

This approved form is to be made available only through the Executive Assistant at the front desk.

Upon processing of a reimbursement for Petty Cash reimbursement, the Executive Assistant is to record it in file and report it to the Finance Manager.

### **Procedure**

1. Staff have to confirm that the item they need is not immediately available at a Shire storeroom or supply cabinet and has a value of \$50 or less.
2. Staff to obtain a receipt from a supplier for a purchase made for work purposes. The staff member does not have to obtain permission from a line manager to make the purchase as long as the staff member considers in their judgement that the purchase is necessary for work and that the item cannot be currently obtained from a Shire storeroom or supply cabinet.
3. As soon as practicable the staff member is to obtain a Petty Cash Claim Form from the Executive Assistant at the front desk.
4. Staff member to include the receipt when filling in the Petty Cash Claim Form. Requests for reimbursement without a receipt will not be entertained.
5. Staff member has to get their line manager to counter-sign the Petty Cash Claim form. Staff member is expected to be able to provide a rationale to their line manager to explain the purchase if so needed.

