

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 \$100.

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 \$100 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.

6. Line Manager is to provide the appropriate GL number on the Petty Cash Claim Form.
7. Once the Line Manager and Staff have signed, the GL number provided, the form is dated and receipt provided, the Executive Assistant will reimburse with cash to the staff member.
8. Executive Assistant to record the details in file to report to the Finance Manager.

PETTY CASH ETHICS & INTEGRITY

All officers and employees of the Shire of Christmas Island shall observe the highest standards of ethics and integrity in undertaking purchasing activity and act in an honest and professional manner that supports the standing of the Shire of Christmas Island.

Staff are only to buy items under the value of \$100 as needed if the store room or supply cabinet has none of the item.

Records Management

All records associated with the Petty Cash process must be retained. The Executive Assistant is responsible for this.

Record retention shall be in accordance with the minimum requirements of the State Records Act, and the Shire of Christmas Island's internal records management policy.

Keywords	Petty Cash, Purchases
Related Policies	Financial Policy 2, Purchases Policy
Related Procedures/ Documents	Petty Cash Claim Form

Version	Approved, Amended, Rescinded	Date	Officer	Resolution number	Key changes/ notes	Next Review date	File Ref No.
1	Approved	24/7/2021	Chris Su	67/21		2023	2.11.40
1	Approved	27/9/2022	Chris Su	89/22		2024	2.11.40
2	Approved	23/4/2024	Chris Su	22/24	Increase of reimbursement limit from \$50 to \$100	2025	2.11.40