PETTY CASH PROCEDURES

Introduction

1. Petty Cash floats are available to facilities where they require access to a small amount of cash to cover minimal sundry goods/services which due to their inexpensive nature, are more costly and timely to purchase via normal procurement procedures. Petty cash floats should never be used to circumvent normal procurement regulations, e.g., obtain goods which are available through stock or non stock requisitioning. Anyone doing so, is breaching the Trust’s Standing Financial instructions and may be subject to disciplinary procedures.

When is a Petty Cash Float Appropriate?

It would be expected that Petty Cash Floats would be used for purchasing ad hoc items of fresh food in outlying facilities, postage, or client expenses, e.g., clothing, magazines, food etc.

When is Petty Cash Float inappropriate?

Petty Cash Floats should not be used for:

1. Stationery, as this is available through the stock catalogue.

2. Mobile phone top ups, as there is a procedure for obtaining a Trust mobile where there is deemed a need.

3. Advances to staff

4. Reimbursement of expenses to staff, as these should be claimed through the normal claim form for “travelling and incidental expenses”.

5. When the Low Value Purchase Card is a viable alternative – Mr J Crozier, Head of Purchasing and Supply (Tel no: 028 38612767) can advise regarding this.

How do I apply for a Petty Cash Float?

An application form to apply for a petty cash float is available on the Trust Intranet under Policies and Procedures/Finance and Procurement. All applications must be approved by an Assistant Director/Director.
**What are the Responsibilities associated with being a Petty Cash Holder?**

There are a number of responsibilities associated with this, which include:

1. The petty cash float must be kept in a safe and secure location and access to it restricted so that any risk of theft is minimized.

2. Records of all petty cash expenditure must be kept and supported by receipts. These records will be the subject of periodic inspection. (Petty cash expenditure books are available from the Traders Payments section at Lurgan Hospital.)

3. Controls to approve petty cash expenditure should be put in place in each facility, i.e. levels of expenditure which require senior staff approval. Advice on suitable arrangements can be requested from Finance.

4. Re-imbursement cheques will have to be cashed in a local bank. Both the cheque and resulting cash must be locked away safely at the earliest opportunity.

5. Petty cash holders must maintain control of the cash, cheques and associated records and insist on proper receipts before reimbursing any requests for payment.

6. All recoupments of petty cash floats (with supporting receipts/documentation) should be sent to the Finance Department in a timely manner to maintain petty cash balances and allow cheques to be processed. Staff must not make unnecessary journeys to collect cheques or deliver claims for recoupment, especially if not local to Lurgan Finance Department.

**How do I obtain Recoupment of a Petty Cash float?**

1. Petty cash expenditure books are available from Traders Payments to record all expenditure incurred. The petty cash expenditure form must be completed and accompanied by supporting receipts. It should include details of the trader number (available from remittance advice) and cost centre of the facility. Where a cost centre is not known, please contact your financial management representative who will be able to assist.

2. These should be sent to:
   Traders Payments
   Finance Department
   Lurgan Hospital
   Sloan Street
   LURGAN
   BT66 8NX

3. Payment runs occur on Tuesdays. Therefore, if you require your recoupment to be processed in this run, it must be received by the Friday prior to the Tuesday run.