



PETTY CASH PROCEDURE MANUAL

1. PURPOSE

2. SCOPE

3. POLICY FRAMEWORK

- 3.1. The purpose of Petty Cash is to acquire urgent goods and services at short notice for which normal tender procedures are not necessary, provided that the cost of the goods and services acquired does not exceed the amount of R700.00.
- 3.2. All requests for petty cash in excess of limit set in paragraph 1 above MUST be approved by the Chief Financial Officer.
- 3.3. Planned purchases on petty cash MUST not be split to avoid exceeding the limit set in paragraph 1 above.
- 3.4. Application for petty cash must be made to the Head Office by means of a submission which needs to be approved by the delegate official of the Department.
- 3.5. Maximum petty cash float amount is set at R5 000.00 for the department
- 3.6. Petty cash approval is granted by the Director: Financial Management.
- 3.7. The following are transactions for which petty cash CANNOT be used for:
 - 3.7.1. Catering services,
 - 3.7.2. Stationery,
 - 3.7.3. Computer related,
 - 3.7.4. Any item classified as an asset,
 - 3.7.5. Compensation of Employees
 - 3.7.6. Transfer and subsidies
 - 3.7.7. Subsistence & Travel allowances/claims
 - 3.7.8. Refunds to employees for expenses incurred and covered in the TSM5/ Payment Advice
- 3.8. The amount replenished plus the cash on hand must equal the approved petty cash amount set out in paragraph 5 above.
- 3.9. The petty cash management is assigned to officials in Bank Reconciliation unit within the Financial Management directorate.
- 3.10. Private cheques may not be cashed from petty cash.
- 3.11. The Petty Cash register must be balanced monthly and checked by the head of the office or section concerned, or a person nominated in writing and verified with the cash on hand.

4. SUPPORTING DOCUMENTS

Supporting documents as outlined on annexure A.

5. CONSEQUENCES OF BREACH OF POLICY

Any person who breaches this policy and in so doing causes financial and material loss to the Department shall be required to refund the Department or rectify the loss and be subjected to disciplinary action.

6. REVIEW OF POLICY

This policy shall take effect on the 9 October 2017 and be reviewed as and when required.

APPROVED BY:



Head of Department
Ms. Botlhale Mofokeng

24/4/2018
Date