

GREATER TORONTO TRANSPORTATION AUTHORITY

Board Meeting Date: July 27, 2007

Item Class: Chair's Item
 Decision
 In Camera
 Information
 Resolution / By Law

RECOMMENDATION:

BE IT RESOLVED THAT:

The Board approve the attached Corporate Administration Policy 07-003 pertaining to the handling of Petty Cash.

ISSUE:

The Greater Toronto Transportation Authority is moving quickly to establish Corporate Administration policies governing several areas of accountability, including Petty Cash, in order to set out accountability standards and administrative controls to ensure the prudent and effective management of public funds. Petty cash funds are established for those employees who have a business requirement to make small or emergency purchases. Petty cash funds are not to be used by an employee for personal purchases.

BACKGROUND:

The standards and controls contained in the GTTA's Petty Cash Policy reflect current and best practices in public sector spending and ensure transparency so as to withstand public scrutiny. The policy is based on applicable Treasury Board/Management Board of Cabinet and Ministry of Finance directives.

The petty cash fund is the property of the GTTA and is subject to verification at any time by a manager or a representative of GO Transit's Audit Office. The petty cash fund is to be used in conducting GTTA business and supporting GTTA operations only.

Resources Implications:

Financial Impact:

This policy will assist the GTTA in ensuring that public funds are spent prudently and in a manner that is consistent with the program mandate and funding agreement with the province, and provide value for money.

GTТА

CORPORATE ADMINISTRATION ADMINISTRATIVE MANAGEMENT

<i>Section</i>	<i>Subject</i>	<i>Date Approved</i>	<i>Policy Number</i>
Administration	Petty Cash	TBD	CA-07-003

Purpose

To establish the responsibilities in the handling of a petty cash fund.

General

Petty cash funds are established for those employees who have a business requirement to make small or emergency purchases. Petty cash funds are not to be used by an employee for personal purchases.

Policy

The petty cash fund is the property of the GTТА and is subject to verification at any time by a manager or a representative of GO Transit's Audit Office.

The petty cash fund is to be used in conducting GTТА business and supporting GTТА operations only.

The custodian of the petty cash fund is responsible to ensure the contents are secured at all times. If the custodian transfers to a new position, terminates employment or no longer has a requirement, the petty cash must be secured.

Procedures

When a requirement for a petty cash fund is determined, a Petty Cash Request Form, # GTТА-0006-07 (attached as Appendix A), must be completed by the custodian and authorized by the custodian's Cost Centre Manager or their

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delegate.

The petty cash request is forwarded to GO Transit's Accounts Payable for processing. A cheque is issued to the custodian of the petty cash fund.

The cheque along with the petty cash request is sent to the custodian. The custodian acknowledges receipt of the cheque and returns the signed original request form back to GO Transit's Accounts Payable.

The custodian must retain all receipts when the petty cash fund is used. The combination of cash and receipts must equal the fund amount.

The petty cash is replenished by submitting receipts to GO Transit's Accounts Payable on a Statement of Expenditures, Form # GTTA-0005-07 (attached as Appendix B). GO Transit's accounting staff should review the requests to ensure proper approval has been secured in accordance with this policy. GO Transit's Accounts Payable will issue a cheque payable to the custodian.

When the petty cash fund is no longer required, a cheque for the balance remaining should be sent with a final Statement of Expenditure to GO Transit's Accounts Payable. It should be clearly noted that the fund is being returned.