

# Petty Cash Management in Central Services and Headquarters

## PROCEDURE VALIDATION

Version	Approved by	Approval date
1	SVP Administration	May 2018
	SVP Treasury	
	Organization Director	

## OBJECTIVE AND SCOPE

This procedure regulates the management of the company's Petty Cash dedicated to payments of small non-contractual expenses in order to meet immediate functional needs of the company.

These are defined in this regulation as expenses that by nature require cash payments and that are needed with certain urgency that requires immediate payment.

**This procedure applies equally to the Central Services offices of all the Business Units, as well as Headquarters, and only the exceptions herein will apply.**

## DEFINITION AND TYPES OF ELIGIBLE EXPENSES

- Petty Cash expenses indicate expenses which require immediate payment and are not possible, or economic, given their reduced amount, to defer payment in accordance to usual contractual procedure.
- Expenses that require immediate cash payment fall into this category.
- It is not allowed, under any circumstances, to use Petty Cash for the purchase of goods and services where the ordinary payment procedures are applicable or in case of expenditures relating to contracts or framework agreements being executed.
- Petty Cash can be used for expenses relating the following:
  - Tax/Stamp Duty/Other Licenses/Mercantile Register/SIAE
  - Postal expenses (Mail, Stamps, Burofax and Courier);
  - Newspaper, Books, Magazines, Association fees (as long as they cannot be purchased on credit from a supplier);
  - Penalties/Fees and Fines/Other taxes;
  - Small repairs and urgent maintenances;
  - Other needs of low value (they must be approved by the Financial & Administration Director of the BU/ Corporate Treasury Director).
- These expenses, admissible up to a value of €100,00 taxes included (or its equivalent in local currency), must not in any way refer to expenditures incurred regarding existing contracts. This amount refers to a single event/item, dividing expenses into several tickets or invoices is prohibited. A smaller limit can be determined if required for fiscal or accounting reasons in the country.
- **It is strictly forbidden to pay advances for travel reasons or settle travel expenses through the Petty Cash.**

## MANAGEMENT OF PETTY CASH

- The Treasury Department (BU/HQ) is responsible for the opening, management, control and cancellation of the Petty Cash. In case another area wants to take responsibility for its management (for example, General Services), this must be expressly authorized by the Financial Director of the BU or Corporate Treasury Director.
- The fund is renewable upon request to the Treasury Department any time the fund reaches a value lower than €100,00 (or its equivalent in local currency) or in case of particular needs.
- The Petty Cash of the company has a maximum total cash amount of €500,00 (or its equivalent in local currency) in each office. A lower amount can be determined by BU's requirement but never higher.
- Access to these funds is reserved to the Petty Cash Responsible.
- All cash transactions, inbound and outbound, must be recorded on a special cash registry with the detailed description of the transaction (date, reason and amount). Each operation must be accompanied by supporting documentation of the expenses.
- For the recording of these expenses made and amounts reinstated, the Petty Cash Responsible uses the excel file [FI Petty cash report](#)
- At the end of the month, Petty Cash Responsible sends to the F&A Director of the BU (or Corporate Treasury Director in case of HQ) the template with all accounting records and scanned copies of any supporting documents for approval (all tickets in a single PDF file).
- Once this statement of monthly expenditure has been approved, the Petty Cash responsible sends it along with the supporting documentation to SSC Accenture through the DWP portal to be accounted in SAP (expense reports must be attached to the accounting documents, so that they are available to consult whenever necessary).
- Then the refund request must be sent to the Treasury Department via e-mail.
- Once verified that the expenses have been posted in SAP, the Treasury Department will proceed with the reimbursement.
- The original supporting documentation for all expenses must be sent to the Treasury Department for proper archiving.