

Petty Cash Management Policy for Group Facilitators

Why do some Groups have petty cash?

Some Groups will have small, regular costs such as venue hire fees – but if the Group charges (say) £2 per person and attendance fluctuates from one meeting to the next, then income and expenditure won't always exactly match.

It isn't always possible or desirable to simply divide the cost of a venue by the number of members who actually attend each event, not least because it's difficult to estimate the cost per person in advance.

Therefore, some Groups may find it helpful to have a small amount of petty cash in a float. If there are meetings when attendance fees exceed the venue charges, the surplus can be drawn upon later should there be a small shortfall at a subsequent meeting.

Why we need a petty cash policy

Obviously, therefore, it is good practice (and National Office Guidance) that we have policies in place to oversee monies held by each of our Interest Groups.

- These policies are not difficult for facilitators to comply with but they are important. This is because Group facilitators, the local Committee and the National Office can, ultimately, be held legally accountable for the safe management of such monies. It is also important for insurance purposes.
- *Please note that all such monies held are, legally and technically, the property of Wigtownshire U3A and not the individual Groups, nor the members.* If a Group stops operating or merges with another Group, the petty cash *must not* be returned to the members.

So what is the petty cash policy?

Every six months, the Treasurer will ask you to complete a very simple form, showing how much petty cash you had at the start of the period, summarising your income and your outgoings, and tallying up to show how much petty cash you had at the end of the period. (If your Group does not hold any petty cash, please just submit a 'nil' return.)

- To be able to do this, just keep a simple note each month of the cash you take in and the cash you spend. The form itself does not require this level of detail, but you will need this information to hand to complete the form accurately.
- Please keep any receipts you receive when you pay for venue hire, etc. You *do not* need to issue receipts to members for attendance fees, and the like.

- Try to keep your petty cash amounts at a sensible level, perhaps adjusting the amount you charge for attendance if you find your petty cash is regularly mounting up or depleting.
- Obviously, keep the Group petty cash completely separate from your own cash. A jam jar or a biscuit tin will be fine!

Collecting larger sums

If you want to collect more sizeable prepayments from members to cover (for example) a Group pre-purchase of tickets or transport costs for a site visit, or to save up for equipment purchases, please discuss this with the Treasurer beforehand so that we can agree on suitable cash-handling arrangements.

- It is vitally important that facilitators *do not* hold a significant amount of members' cash.

The Treasurer will be happy to assist with any queries you may have at any time.

In summary

- A petty cash float helps a Group manage the month-to-month fluctuations in attendance fee income and venue rental expenses.
- Good practice (and National Office Guidelines) requires us to have policies in place to manage and monitor Group petty cash.
- Facilitators are asked to complete a form every six months, summarising cash in, cash out and cash at end of period. Keep any receipts for outgoings, but you don't need any paperwork for Group attendance fees.
- *All petty cash belongs to the Wigtownshire U3A and not to the Groups, nor the members* – so don't allow petty cash amounts to get too high.
- Obviously, keep the cash separate from your own cash. A biscuit tin will be fine!
- If you want to collect more sizeable payments for a special Group trip or to buy equipment, please speak to the Treasurer so that proper arrangements can be put in place.

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