

11.2 Cash Floats

Policy Statement

This policy describes the purpose of a cash float and the procedures to be followed for establishing and operating such a float.

Policy Objective

To ensure that the procedures for establishing a cash float are known to those who use cash floats.

Policy Directives

RESTRICTIONS

A cash float will be issued to an employee/department upon receipt of a properly authorized requisition.

The following restrictions will be observed:

- A float is to be used to make change on cash transactions.
- A float may be used only to cover government operations.
- The float may not be used for personal purposes.

ESTABLISHING A FLOAT

A department or agency may request a cash float by writing to the Director of Financial Services of their respective department or corporate service unit indicating the reason for the request, the dollar amount of the float required, and the employee or holder to whom the float will be assigned. (See Appendix 11-A.) The amount of the float can vary and will depend on the volume of transactions by the department or agency.

Any change in the employee responsible for the cash float must be reported promptly in writing to the Director of Financial Services of their respective department or corporate service unit. (See Appendix 11-B.) This report should contain a signed statement by the new custodian confirming that he/she has received the funds.

OPERATING A FLOAT

Funds received by a department or agency will be in the form of a cheque. The cheque will be cashed, and the money received will be kept by the employee or holder in a secure location. Cash floats on hand must be maintained at the amount of

advance issued. Changes must be requested through the Director of Financial Services of the respective department or corporate service unit.

YEAR-END ACCOUNTING PROCEDURE

In accordance with the *Provincial Finance Act*, R.S. 1989, c.365, s.22:

An advance for which an accounting has not been made at the termination of the fiscal year in which it was made shall be accounted for or repaid within thirty days thereafter or within such additional number of days as the Minister may fix in any particular case.

In compliance with the above act, an employee responsible for a petty cash float may be required to confirm existence of the cash float and sign a statement certifying the cash position at the termination of the fiscal year.

At year-end, Government Accounting will review all the cash float accounts in the general ledger. If there is low activity, the department will be contacted to provide support for maintaining the float or to return the float if it is no longer needed.

Accountability

Departments are responsible for requisitioning the cheques to establish a cash float. Departments are responsible for compliance with this policy and maintaining the appropriate balance of cash in their cash float.

Monitoring

Government Accounting will monitor the policy's implementation, performance, and effectiveness.

Enquiries

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