	TITLE OF MANAGEMENT STANDARD PETTY CASH FUND	PROCESS NAME DISBURSEMENT and LIQUIDATION OF THE FUND		EFFECTIVITY DATE 25 July 2005
	POLICY NO Revision for TRD #001	AUTHORED BY <i>Gr</i> Marilyn G. Navarro	NOTED BY Gil R. Buensuceso	APPROVED BY <i>[Signature]</i> Dr. M. S. Uy / Mrs. R. Uy

1.0 OBJECTIVE

To update and upgrade the established policies and procedures regarding the disbursement, liquidation and replenishment of the Petty Cash Fund (PCF).

2.0 SCOPE

Petty Cash Fund is set up to allow small purchases or reimbursements, in cash, for items such as transportation, stamps, office supplies, services, minor repair materials, etc.

3.0 DEPARTMENTS INVOLVED

Treasury	Corporate	MIS
Accounting	Cedar/Engineering	Purchasing
Audit	HRD	Warehouse/Logistics
Branches	Marketing	

4.0 POLICIES

4.1 All disbursements from the Petty Cash fund shall be covered by an **approved Cash Voucher (CV)** adequately supported by receipts, except for expenses where receipts are not being issued e.g. jeepney and taxi fare. No disbursement can be made from the fund without an **APPROVED CV**.

4.2 **The CV shall be approved by the Branch Manager or in his absence, the Asst. Branch Manager. In case these approving branch officers are not available, the CV shall be approved by the officially designated OIC.**

4.3 The maximum amount that can be disbursed (single disbursement) from the PCF shall be Php 2,000.00.

4.3.1 Splitting of PCV to bring the disbursement to the allowable limit shall not be allowed.


4.4 The Branch Cashier shall be designated as the petty cash custodian and shall be held accountable for the PCF.

4.5 Cash advance (CA) from the PCF should be liquidated within 24 hours from the time of availment.

4.5.1 No CA shall be allowed unless prior CA has been properly liquidated

4.5.2 Employee who failed to liquidate his CA within the time specified shall be sanctioned in accordance to the company rules and regulations.

4.5.2.1 If after the given allowable time of 24 hrs and he still did not comply and presented the receipts to substantiate the use of the PCF, the said person shall sign the Authority to Deduct form authorizing the company to deduct the full amount from his salary.

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4.5.2.2 Imposition of penalty under the following offenses depending on the gravity of the situation.

Section No.	Classification of Offenses/ Specific Offenses	REMEDIAL ACTION PER OFFENSE					
		1 st	2 nd	3 rd	4 th	5 th	6 th
2.0	Neglect of Duty						
2.5	Failure to liquidate cash advances (CA) within the prescribed/allowable period.	WR	25	55	85	105	T
6.0	Fraud/ Dishonesty						
6.7	Misuse or misappropriation of the company's funds and property.	T					

- 4.6 Accommodation of employee or personal check from the PCF shall not be allowed.
- 4.7 CVs for replenishment shall be summarized in the Petty Cash Replenishment Report (PCRR) duly supported by required receipts.
- 4.7.1 CVs submitted for replenishment without the proper approval, without the required signatures and without the required supporting documents and/or receipts shall not be processed and shall be returned to the branch concerned.
- 4.7.1.1 Upon counterchecking by the Branch Officer of the PCRR in the event you have failed to comply in any of the above-mentioned requirements, better not forward your PCRR to Treasury Department to avoid wasted time in checking and sending back the unaccomplished PCRR.
- 4.8 CVs for replenishment must be submitted to Treasury Department every 2nd and 4th Saturday of the month in time for the processing of payables the following Monday.
- 4.8.1 Considering the PCRR was submitted on time and has complied fully, the replenishment check will be released to the fund custodian seven (7) days after submission.
- 4.8.2 Should the PCRR sent to and received by us after the scheduled Monday processing date; the same shall be processed the following week.
- 4.8.3 For PCRR's under question, the same shall be returned to the branch for counterchecking.
- 4.9 It is incumbent upon the immediate superior of the fund custodian to conduct periodic cash count of the fund to ensure that the PCF is complete and properly accounted for.
- 4.9.1 In the event the fund custodian resigned, transferred or shall be on an official leave for more than two (2) weeks, the immediate superior shall likewise conduct cash count for a proper turnover of accountabilities.