

LESSON NOTES 16

Year/Level: 11 **Subjects: Office Technology**

STRAND	OT 11.3 Office Administration
SUB-STRAND	OT 11.3.1 Office Roles and Functions
LEARNING OUTCOME	<ul style="list-style-type: none">• Define record management• Identify and explain the features and function of a record management• Manage petty cash funds of a business

VALUE SYSTEM AND ORGANIZATION STRUCTURE

Records Management

Involves tasks like setting policies and standards, assigning responsibilities and authorities, establishing procedures and guidelines, providing access to management and use of records, and integrating records management into business systems and processes.

Function of Record Management

Records management is responsible for the efficient and systematic control of the creation, receipt, maintenance, use and disposition of records, including processes for capturing and maintaining evidence of and information about business activities and transactions in the form of records.

Features of Record Management

Authenticity-A record must be what it purports to be.

Reliability-A record must be a full and accurate representation of the transactions, activities, or facts to which it attests.

Integrity-A record must be complete and unaltered.

Managing the Petty Cash Fund

The petty cash imprest system is a method of accounting for petty cash expenses. Under the system, the petty cash fund balance is always maintained at a **fixed** amount decided on when the fund is first established.

In all businesses there are small amounts which could not conveniently be paid by cheque – these are things such as tea, postage, bus fares for junior officers going for errands, etc. These payments are supported by **petty cash vouchers**. At the end of the period a **petty cash reconciliation** is carried out, and the cash spent is reimbursed to restore the petty cash imprest fund balance back to its original fixed amount.

Below are two common forms of vouchers.

Petty Cash Voucher / Kleinkasbewys

Date / Datum 15/3 2011

FOR WHAT REQUIRED BENODIG VIR	AMOUNT BEDRAG
Stamps + Envelopes for AGM minutes	60 25

Signature / Handtekening Mrs Kadebe
 Fiso Goedgeloof Passed by Gngwenya

PETTY CASH VOUCHER

DATE 194

PAY TO _____

FOR _____

\$ _____ CENTS _____

SIGNED _____

FORM NO. 808

The petty cashier needs to keep in mind the following important principles:

- Petty cash will only be given out when a signed voucher is received by the petty cashier.
- Petty cash should be kept in a locked box with only the petty cashier having the key.
- Only the petty cashier will take money out from the box at any time.

At the end of the week, the petty cashier receives a cheque for the amount spent, thus bringing the cash for the following week up to the original amount.

Example: Suppose the imprest amount is \$100 for one week, whilst your expenses are the following

• Postages	\$20
• Bus fare	\$10
• Stationery	\$5
• Sundry expenses	\$10
• Morning Tea	\$10
	<hr/>
	\$55
• Total Expenses	<hr/> <hr/>

At the end of the week the petty cashier would have only \$45 in the box. Therefore she will receive an imprest amount of \$55 at the beginning of the following week so that her box will again contain \$100.

Activity

1. Define record management.
2. Explain the function of record management.
3. Identify at least one feature of record management.
4. What is the purpose of petty cash in an organization?

THE END ☺