

## INTERNAL POLICY AND PROCEDURE

**TITLE:** Petty Cash Funds

**EFFECTIVE DATE:** \*December 12, 2006 (*\*Procedural Update 3/7/18*)

**CANCELLATION:** None

**DIVISION:** BUSINESS AND ADMINISTRATIVE AFFAIRS (BAA)

**CATEGORY:** General Business and Administrative Affairs

**RESPONSIBLE DEPARTMENT:** Controller's Office

1. **Purpose**

To establish the policy and procedures for the handling and reimbursement of petty cash funds, which are to be utilized for emergency purchases only.

2. **Scope and Applicability**

This internal policy and procedure applies to all operating units of the College.

3. **Policy Guidelines**

***Allowable Petty Cash Requirements***

All state purchasing rules and regulations set forth by the Office of State Purchasing and outlined in the College's [Purchasing Procedures](#) policy must be adhered to for all purchases. Petty cash funds are available for emergency purchases of necessary supplies but should not exceed \$30\* for any one instance. Purchases exceeding this amount should be processed through the purchasing system. Attempts to circumvent this limit by using multiple receipts from the same vendor on the same day will not be reimbursed. Requests for reimbursement should be made timely (defined as within 30 days). Only full-time employees\* are allowed to utilize petty cash funds with supervisor's approval. No student employees or part-time employees are allowed to utilize petty cash funds. Anyone who abuses the fund will have this privilege revoked.

*(Note: \*Exceptions are allowed only in special circumstances and requires permission of the Controller.)*

## ***Items Not Allowed for Reimbursement Through Petty Cash***

Petty cash funds are not available for food, meals, personal items or parking\*\*, and they are not available for maintenance items for which a cover order is in place (i.e., pest control services, home improvement stores, keys, etc.), except in special circumstances with the approval of the Controller. To determine if a maintenance item has a cover order in place for a particular campus, building or site, contact the Maintenance Department prior to purchase for more information.

Petty cash funds must not be used for cashing personal, employee, or student checks, for advancing funds without receipts, or for providing funds for temporary or informal loans.

*(\*\*Note: Parking for faculty and staff at required off-campus College functions, including Commencement Exercises, is an exception and is allowed for petty cash reimbursement when authorized by the Vice Chancellor for Business and Administrative Affairs.)*

### **4. Responsibilities**

A. An employee who utilizes petty cash funds is responsible for:

1. Acquiring the written approval of his/her supervisor on the original cash receipt once supplies are purchased;
2. Submitting the original receipt with supervisor's approval to the petty cash custodian in her/his area; and
3. Completing a [Petty Cash Reimbursement Request Form \(Form BAA-A01/002\)](#) with the petty cash custodian to include the following:
  - the account number of the department to be charged,
  - the detailed listing of items purchased,
  - the reason for the emergency purchase,
  - the date of reimbursement,
  - the employee's signature indicating the receipt of petty cash funds, and
  - the supervisor's signature indicating approval on the Petty Cash Reimbursement Request Form.

B. The supervisor of a full-time employee who utilizes petty cash funds is responsible for:

1. Approving by signature each cash receipt for emergency purchases of necessary supplies made by the employee under her/his supervision; and
2. Approving the [Petty Cash Reimbursement Request Form](#).

C. The petty cash custodian is responsible for:

1. Verifying that the original receipt has been approved by the appropriate supervisor;
2. Verifying that all required information is supplied on the [Petty Cash Reimbursement Request Form](#);

3. Indicating the amount of reimbursement on the Petty Cash Reimbursement Request Form;
  4. Approving by signing the Petty Cash Reimbursement Request Form;
  5. Maintaining the consecutive number sequence of all Petty Cash Reimbursement Request Forms;
  6. Storing all receipts and petty cash on hand in a secure location; and
  7. Requesting replenishment of his/her petty cash fund once it has been depleted to twenty percent of its total by submitting a [Petty Cash Check Voucher Request \(Form BAA-A01/001\)](#).
- D. The Accounts Payable Manager is responsible for:
1. Verifying each petty cash expense account reimbursement request for accuracy, correctness, completeness, and appropriate signatures;
  2. Verifying that all petty cash vouchers listed on the expense form are attached with the original receipt and required signatures;
  3. Signing approval to the petty cash expense account;
  4. Processing a replenishment check for all petty cash expense account reimbursement requests; and
  5. Rejecting any expense reimbursement requests which are not in accordance with the procedures in place.
- E. The Controller is responsible for:
1. Authorizing changes in the amount of petty cash funds on hand;
  2. Authorizing changes of petty cash custodians;
  3. Immediately notifying the Vice Chancellor for Business and Administrative Affairs of any petty cash discrepancies; and
  4. Establishing petty cash fund locations. (This list is available in the Controller's Office.)
  5. Annually verifying all petty cash funds.

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*Attachments:*     [Petty Cash Check Voucher Request \(Form BAA-A01/001\)](#)  
                          [Petty Cash Reimbursement Request Form \(Form BAA-A01/002\)](#)

*Policy:*

*Reference:*        Delgado Community College Policy and Procedures Memorandum  
                          [Purchasing Procedures](#)

*Reviewed by:*     Controller  11/5/06; Business and Administrative Affairs Council  12/12/06  
                          Ad Hoc Committee on Petty Cash Procedures policy 2/8/18

*Approved by:*     Vice Chancellor for Business and Administrative Affairs 12/12/06  
                          Vice Chancellor for Business and Administrative Affairs Procedural  
                          Update 3/7/18