

# **PETTY CASH GUIDELINES**

## **GENERAL GUIDELINES**

Campuses, Financial Services Department, and Facilities Department are authorized to establish a Petty Cash Fund. This fund is used to expedite small miscellaneous cash purchases, refunds or reimbursements of \$50.00 or less.

The following guidelines govern petty cash transactions:

1. The campus principal and department budget authority are responsible for petty cash transactions issued from their respective Petty Cash Fund.
2. The Petty Cash Fund is restricted to \$200.00.
3. Petty cash disbursements are restricted to \$50.00 per transaction.
4. Petty cash transactions can only be made from Local (Fund 199) and Activity (Fund 865) accounts.
5. Sales tax on items purchased will not be reimbursed.
6. Please plan accordingly, allow 5-7 business days for processing petty cash reimbursements by Financial Services.

## **DISBURSEMENTS FROM PETTY CASH**

1. The Petty Cash Voucher form can be obtained from the Financial Service's section of the District's website.
2. Prior to making any purchase or disbursement from petty cash budget authority approval is required.

## **COMPLETING THE PETTY CASH VOUCHER FORM**

- A. **Section A** of the Petty Cash Voucher form must be completed by the requestor of petty cash, reviewed by the office manager/business agent, and submitted to the budget authority for approval.

- The following information must be recorded or identified in Section A:
  - Requested/Refund Amount
  - Requestor (Printed Name)
  - Date Requested
  - Selection of a Petty Cash Option
    - A1 – Requesting petty cash to be issued to make a purchase
    - A2 – Will purchase requested items and request reimbursement from petty cash after purchase is made
    - A3 – Student or parent refund
  - Purpose
  - Account Number
  - Requestor Signature
  - Office Manager/Business Agent Review Signature
  - Budget Authority Approval Signature

B. **Section B** of the Petty Cash Voucher form must be completed after budget authority approval signature is obtained and when Option A1 – Requesting petty cash to be issued to make a purchase is selected by the requestor or Option A3 – Student or parent refund. The following information should be completed:

- Amount Refunded from Petty Cash
  - Completed when option A3 – Student or Parent Refund is selected. This amount should equal the amount requested to be refunded in Section A.
- Amount Issued from Petty Cash
  - Completed when option A1 – Requesting petty cash to be issued to make a purchase is selected. This amount should equal the amount requested in Section A.
- Refunded Student/Parent Printed Name
  - Completed when option A3 – Student or parent refund is selected is selected.
- Refunded/Issued to Signature and Date
- Office Manage/Business Agent Signature and Date

C. **Section C** of the Petty Cash Voucher form must be completed after approved purchase has been made and when option A1 – Requesting petty cash to be issued to make purchase or option A2 – Will purchase requested items and request reimbursement from petty cash after purchase is made. The following information should be completed:

- Receipt/Invoice Amount less tax

- A receiving signature by the requestor is required
- Vendor Name
- Amount Returned by Requestor
  - Completed when option A1 – Requesting petty cash to be issued to make a purchase is selected. This amount should equal the Amount Issued From Petty Cash (Section B) less Receipt/Invoice Amount less tax.
- Amount Reimbursed to Requestor
  - Completed when option A2 – Will purchase requested items and request reimbursement from petty cash after purchase is made is selected. This amount should equal the Receipt/Invoice Amount and should not be more than the approved Requested/Refund Amount approved in Section A.
- Requestor Signature and Date
- Office Manager/Business Agent Signature and Date

All supporting petty cash documents (approved petty cash voucher with original signatures and receipt/invoice with receiving signature) must be attached to the respective Petty Cash Journal Voucher and Reconciliation Sheet when replenishment is made.

A copy of each approved petty cash voucher form and receipts/invoices must remain at the campus or department.

## **REPLENISHING PETTY CASH**

1. Campus or Department petty cash funds should be replenished monthly and when remaining cash approximates \$50.00.
2. The Petty Cash Reconciliation and Replenishment Form is prepared by the campus or department requesting replenishment of the petty cash fund.

Backup documentation must be included. Documentation consists of the approved Petty Cash Vouchers, with original signatures and vendor receipts or invoices with receiving signatures. The Budget Authority for the campus or department must sign the Journal Voucher on the APPROVED signature line.

A Petty Cash Reconciliation and Journal Voucher template is provided on the Financial Services section of the District Website to facilitate the reconciliation and journal voucher preparation of petty cash reimbursement.

3. Complete the Petty Cash Reconciliation.

- a. Enter cash on hand and total.
- b. Enter coin on hand and total.
- c. List all outstanding vouchers (money issued out but not returned yet) and total.
- d. List all vouchers that you are submitting for reimbursement and total.

Please note, totals from Sections A, B, C, and D must equal \$200.00. Any outages should be noted.

4. Prepare a Journal Voucher to record petty cash activity.
  - a. Enter the petty cash voucher number for each approved petty cash voucher.
  - b. Enter an account number to post the petty cash activity for each petty cash voucher listed.
  - c. Enter a description for the items purchased for each petty cash voucher listed.
  - d. Enter the petty cash voucher amount seeking to be reimbursed for each petty cash voucher listed under the Debit Column.
  - e. Total the amounts listed under the Debit Column and enter the amount under the Credit Column next to the "PETTY CASH REIMBURSEMENT" description of the journal voucher.
5. Provide a breakdown of the cash and/or coin to be reimbursed to the Campus or Department Petty Cash Fund.
6. The cash on hand (in the petty cash box/bag) plus receipts/invoices **must always equal** the original petty cash fund balance (\$200).
7. The Journal Voucher and Petty Cash Reconciliation Sheet must be sent to the Financial Services Accountant for processing.
8. All Petty Cash Vouchers will be reviewed for appropriate account coding.

## SEPARATIONS

The petty cash fund should be maintained in a separate box/locked bag from the receipted cash on hand IN THE VAULT OR SAFE. The two should not be commingled.