

Procedure Title: Petty Cash Accounts
Procedure Number: 01-2006-0019
Board Policy Reference: IV.A.

Accountable Administrator: President
Position responsible for updating: AVP Finance
Original Date: 3-21-06
Date Approved by Cabinet: 01-18-11
Authorized Signature: *Signed original on file*
Dated: 01-18-11
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Purpose/Principle/Definitions:

Permanent Petty Cash Funds

Certain areas of the College may establish permanent petty cash funds to expedite the handling of College business. Departments having frequent cash purchases of minor items may request a petty cash fund of up to \$100. If additional petty cash funds are needed above the \$100 level, the petty cash custodian may submit a written justification request. All requests must be submitted to the Senior Operations Accountant for approval.

Requests must provide the amount requested, justification of need, and the name of the individual who will serve as the petty cash fund custodian. Petty cash funds must be kept separate from all other funds. Personal funds should not be co-mingled with petty cash funds. A petty cash fund may not be used to cash personal checks or IOU's or for loans.

Adequate facilities for safekeeping the funds must be available and used. Only the petty cash custodian and the department head should have access to the fund. Petty cash funds are subject to audit at any time. The custodian should frequently count and reconcile petty cash funds to insure that the cash and paid receipts on hand equal the authorized amount of the fund. Department/unit heads should insure that the fund is

properly reconciled on a monthly basis. Discrepancies should be reported immediately to the Senior Operations Accountant.

If such a fund is required, the following steps must be taken:

1. Complete all the information on attached Request for Petty Cash Fund form and return to the Senior Operations Accountant for approval. The approved form will be returned to the department making the request.
2. Upon receipt of the approved form, the custodian or department head may pick up the petty cash fund from the Service Center. For outlying areas, a BMCC check will be issued, which can be cashed at any local bank.
3. Reimbursement for the fund may be obtained by submitting the Petty Cash Refund Summary Request, signed by the petty cash custodian.
4. If the fund is no longer needed, the custodian or department/unit head should return the fund by making a deposit to the account number listed on the Request for Petty Cash Fund form and notify the Senior Operations Accountant.

Should a department anticipate a change in the person responsible for a petty cash fund, the following procedures should be implemented immediately:

1. The department/unit head should complete a new *Request for Petty Cash Fund* form and notify the Senior Operations Accountant.
2. The outgoing custodian should prepare and submit a "final" Petty Cash Refund Summary form in order to bring the fund back to the full amount.

Requesting Petty Cash Refunds:

Accessing petty cash funds should be mainly for emergency-type situations. Petty cash refunds must be processed within 90 days from date of purchase. Items purchased cannot exceed \$50 per item.

Reimbursement for all expenditures such as: gasoline, parking, meals, lodging, and colloquium/seminar registration fees must be submitted as a reimbursement in the RaPS travel module.

The College encourages the use of the RaPS purchasing system first when needing supplies for buildings and/or departments. It is also imperative that all requests be processed prior to the end of the fiscal year (June 30) in which the purchase is made.

Requesting Reimbursement from Petty Cash Custodian:

A request for reimbursement must be supported by signed, original, legible receipts marked "PAID" by the vendor. Altered receipts will not be accepted. Persons intending to request reimbursement from petty cash should not purchase "personal items" that would show up on the original receipt; they should purchase personal items separately.

Receipts must have the date, name of the vendor, a complete description of items purchased, and the signature of the employee being reimbursed (if the signature is illegible, the name should also be printed).

Receipts designated as "Customer Copy" are acceptable. Duplicated receipts (photocopies) will be accepted only if accompanied by a memo of explanation.

Reimbursable Items:

Purchases that qualify for reimbursement through petty cash include emergency items or smaller purchases such as: miscellaneous supplies, postage stamps, and office supplies otherwise not covered under the Central Purchasing contract (i.e. Office Max).

Non- Reimbursable Items:

Purchases that **do not** qualify for reimbursement through petty cash include travel expenditures such as: taxi fares, parking fees/fines, food or drink purchases, and mileage reimbursement as covered by the travel procedure # 01-2002-0001.

Other non-qualifying include items such as: payment to individuals for services performed, staff wages, purchasing of capitalized equipment, major maintenance remodeling, and making cash donations to outside fundraising groups.

Requesting Reimbursement for the Petty Cash Fund:

When the petty cash fund is in need of replenishment, the petty cash custodian should complete a Petty Cash Refund Summary Request form. The summary should have all receipts that have been turned in attached as support. This should be turned in to the cashier, if on campus; otherwise, it should be submitted to Accounts Payable, where a check will be cut for the summary total.

Special Forms: Request for Petty Cash Fund
Petty Cash Refund Summary Request

Legal References:

[ORS 294.311](#)

[ORS 341.290 \(2\)](#)