

ACCT-0004 Petty Cash

 The logo of Fort Lewis College, featuring a circular emblem with a shield in the center. The shield is divided into four quadrants: top-left shows a book, top-right shows a globe, bottom-left shows a chalice, and bottom-right shows a hand holding a quill. The text 'FORT LEWIS COLLEGE' is arched across the top, and 'ARTES LIBERALES' is written across the bottom of the shield. Below the shield, it says 'ESTABLISHED 1911'.	<p>Policy identification number: ACCT-0004</p> <p>File: Business & Finance Policies > Accounting Services Policies</p> <p>Petty Cash</p> <p>Policy Summary</p> <p>To establish criteria and procedures for issuance and guardianship of petty cash funds.</p>
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Policy Owner Vice President, Finance & Administration	Approval Date July 18, 2018	Effective Date July 18, 2018
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Search Terms petty, cash, p, vpfa	Scheduled for Review Spring 2023
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I. Policy Statement

Petty cash funds will only be issued for the purpose of paying incidental expenses of a nominal amount that require cash payment, such as postage or other expenses not otherwise appropriately billed by invoice and paid through Accounts Payable or paid by use of the College procurement card (p-card). Petty Cash funds will not be used to cash personal checks or to make temporary loans.

All disbursements from petty cash must be for College business purposes only and must be necessary and reasonable, and be consistent with College disbursement policies described in Policy 1-1. Receipts must be obtained for all expenditures.

At the end of each fiscal year, all petty cash funds will be verified and replenished by the fund custodian. Departmental budgets will be charged for expenditures made.

II. Reason for Policy

To provide guidelines in accordance with the College policies for issuance and guardianship of petty cash funds.

III. Responsibilities

For following the policy: All petty cash fund custodians

For enforcement of the policy: Controller, Director of Purchasing

For oversight of the policy: Vice President for Finance & Administration

For notification of policy: Policy Librarian

For procedures implementing the policy: Controller

IV. Procedures

1. Program and Department Directors who make incidental expenses of a nominal amount may request a petty cash fund from the Controller's Office
2. To reimburse the Petty Cash Fund, a Check Request must be submitted to the Purchasing Office with receipts attached. The total of receipts must match the total amount requested for reimbursement. The Organization Code and Account Code must be on the Check Request to record the expenses representing the petty cash used. The check shall be made payable to Fort Lewis College and will be converted to cash by the College Cashier. At a minimum, the fund should be replenished on the last working day of the month so that expenditures are posted to the general ledger.
3. If Program and Department Directors determine that an increase in an existing petty cash fund is necessary, they may request an increase from the Controller. Petty cash funds may also be decreased or closed by depositing funds with the Cashier. Directors may also change custodianship of petty cash funds by notifying the Controller's Office. The new custodian will verify that the fund is intact and will then become responsible for proper use and security of the change fund. The Controller's Office will adjust petty cash fund records to reflect any modifications.
4. The Cashier will perform surprise reviews periodically of petty cash on campus in order to determine that the fund is intact, including unreimbursed receipts, and is being properly used. Review records will be maintained by the Cashier and will be made available to any administrative official who is responsible for the fund.
5. The Cashier will maintain year-end cash verification records and will reconcile petty cash funds to the accounting records.

V. Revision History

June 2018 – revised policy to new format, eliminated procedures from policy statement

Previous update: February 2013

Original approval date: January 14, 1973

