

**POLICY**

Petty cash management

**PURPOSE**

The purpose of this policy is to assist in ensuring that all petty cash funds established within the College are managed in an approved manner and are protected against loss.

**SCOPE**

All petty cash funds and transactions

**STANDARDS**

Petty cash is an alternative method of paying for small value goods and services that are acquired in accordance with the Purchasing Policy (F001).

- The handling of petty cash transactions must not bypass any appropriate and established purchasing or payment procedures.

Each petty cash transaction must relate to College business.

- All petty cash handlers are required to submit a reimbursement claim in accordance with Year End Guidelines.

It is the responsibility of the petty cash handler to ensure that the funds are stored in an appropriate, secure location.

**PROCEDURE**

1. A petty cash fund may be established or adjusted upon written request to the VP of Corporate Services.
  - The request must include the amount required, the purpose of the fund, and the name of handler of the fund.
  - Surplus cash or shortages must be reported immediately in writing, including any relevant details, to the VP of Corporate Services.
2. All petty cash funds are to be maintained through a system where reimbursement claims together with receipts for all payments are to be submitted for the amount of disbursements from the fund.
  - Petty cash reimbursement forms are available from Accounts Payable.

- Reimbursement claims will be initiated by the petty cash handler and will be approved by their supervisor before it is submitted on a timely basis to Accounts Payable.
  - Accounts Payable will review each petty cash reimbursement claim before processing a cheque to replenish a fund.
3. Petty cash funds must be stored in a locked cash box during working hours and placed in a locked cabinet for overnight safekeeping.
  4. The petty cash handler or their Supervisor, upon termination of employment or internal job transfer, must inform the VP of Corporate Services of the name of the new petty cash handler or if the fund will be collapsed and returned to Finance.
  5. Both the petty cash handler and their supervisor must do a physical count and confirm the value of the fund in writing to Finance as at June 30 of each year.

Petty cash funds are subject to review at any time by authorized members of the Finance team, and by the College's external auditors.

### QUESTIONS

Vice President of Corporate Services or delegate

### RESPONSIBILITIES

Vice President of Corporate Services or delegate

### DEFINITIONS

**Petty cash fund:** is a small amount of cash advanced to an authorized College employee or agent for the purchase or payment of minor items, usually less than \$20, where a cash transaction is required or is more efficient than the issuing of a payment by cheque.

### REFERENCES

Board Charter  
Purchasing F001  
Petty Cash Reimbursement form  
Year End Guideline Memo