PETTY CASH POLICY

Category:	Finance & Administration	**Number:**	4.06
Responsibility:	Vice-President, Finance & Administration	**Approval:**	Board of Trustees
Approval date:	April 18, 2013	**Issue date:**	January 2004
Next review:	April 2017		

Background

Employees may require reimbursement of minor expenses incurred on behalf of university business. In these cases, petty cash floats may be established to provide an effective and efficient method of reimbursement as per the Purchasing Policy.

Purpose

The purpose of this policy is

- To clarify the circumstances under which a petty cash float will be provided.
- To outline the responsibilities of the petty cash custodian.

Petty cash procedures are available which supplement this policy.

Scope

This policy applies to all Brock University departments and faculties.

Policy

1. Petty cash floats will be established or increased at the approval of the Controller & Manager of Finance. Approval will be based on a written request from the Unit/Department Head. The request must provide the following information:
   - the amount requested for the float,
   - the purpose of the float,
   - the name of the full time employee who will be the custodian of the fund, and
   - where and how the float will be secured.

   The custodian is defined as the individual assigned to the petty cash float and to which the cheque has been written to in order to establish, increase or replenish the petty cash float.

2. Petty cash floats may be removed at any time by the Controller & Manager of Finance.

3. Petty cash expenses and reimbursements must be completed on the Petty Cash Report form detailing the nature of the expense, expense code and taxes as applicable. All original receipts/signed vouchers are to be attached. All Petty Cash Expense Reports must be approved in accordance with Signing Authority policy.

4. The Petty Cash float is issued to the custodian. The custodian is responsible for:
   - Responding to all reporting and monitoring requests from Finance
   - Safeguarding and sole custody of the fund
   - Completing and submitting the petty cash report form to replenish funds as needed•
   - Obtaining appropriate signing approvals

- Documenting the reimbursements made from original receipts/signed vouchers: when, to whom, expense account and taxes
- Reporting immediately to Campus Security and Finance Department, any lost or stolen receipts or amount from the fund
- Requesting training from the Finance Department if in doubt of any of these administrative responsibilities.

5. Where another staff member will replace the custodian, the Petty Cash fund is deemed to cease with that custodian:
   - The Petty Cash fund should be balanced and signed off by the present custodian
   - The Unit/Department Head will inform the Finance Department of the new custodian
   - Finance will issue a replenishment cheque to the new custodian.

6. The following are **unacceptable** uses for Petty Cash funds:
   - Accepting I.O.U. as a reimbursable expense
   - Accepting personal cheques as a reimbursable expense
   - Payment for wages, salaries, honorariums, or other similar payments that must be paid through payroll or Accounts Payable to ensure that proper tax forms are issued to the payee
   - Any reimbursement for an individual amount > $75.

7. Petty Cash replenishment must only be sourced from the reimbursement of expenses paid. Funds from all ancillary fees must be deposited according to Cash & Equivalents Handling Policy, and may not be deposited to Petty Cash for interim fund replenishment.

8. If it is determined that a Petty Cash fund is no longer required, all outstanding receipts and unused cash should be submitted to Finance (attention: Accounting Officer), with instructions to close the Petty Cash "account".

9. Petty cash funds, like all other assets and expenditures may be subject to review by the Finance, Internal Audit, External auditors or by funding agency auditors.

10. The Finance Department will confirm with the custodian and Unit/Department Head; the existence; monitoring; safeguarding; balancing; and use of all Petty Cash funds periodically, and at a minimum, annually.

Related policies

Cash & Equivalents Handling
Purchasing
Signing Authority
Travel and Related Expenses

Amendments

Date revised	Responsible
January 2004	Vice-President, Finance & Administration
April 2013	Vice-President, Finance & Administration