

PETTY CASH**Reason for Policy**

To provide guidelines for the appropriate establishment, use, and accountability of petty cash funds.

Policy Statement

- A. Petty cash funds may be established at the discretion of the President or his or her designee in certain departments for small or emergency purchases on the basis of demonstrated need. It is to be used only for the acquisition of those unanticipated items that require an immediate cash payment and should not be used as a means to circumvent proper purchasing procedures. Reimbursements through this fund will be approved for purchases of budgeted items only.
- B. Petty cash can be used to reimburse individuals for non-travel, out-of-pocket expenditures of up to \$50. The one exception to the latter limit applies to the Conference Center, whose out-of-pocket expenses will be reimbursed up to \$300. Petty cash can only be used for reimbursement of small, incidental department expenses when it is infeasible or impractical to use normal purchasing means.
- C. No item should be reimbursed through petty cash if that item can be readily secured through normal college procurement channels. An item that would not ordinarily be purchased by the Purchasing Department as an acceptable item for college expenditure is also prohibited from being purchased with petty cash funds.
- D. Department or unit petty cash funds usage shall be reviewed annually by the Finance Department to determine if patterns exist indicating a need to increase or decrease budget allocations.
- E. This policy is applicable to every college department and or administrative office. All employees with any type of cash handling function are required to be familiar with the requirements of this policy.
- F. Willful violators of this policy will be subject to disciplinary actions up to and including dismissal.

Approved: Board of Trustees
April 22, 1976

Revised: September 19, 1996
December 21, 2006