

REGULATIONS

To Open An Account

To open a petty cash account, a Director, Coordinator, Supervisor or Manager must submit a written request to the Executive Director. If approved, a secure place for the cash must be guaranteed, and a Petty Cashier who becomes personally responsible for these funds must be designated.

To request the initial advance, prepare a Purchase Order made payable to the Petty Cashier/Petty Cash for \$100.00. This advance is usually coded to the budget code 66110, Instructional supplies, since this is the most commonly used line item.

Petty Cash Record Sheets are used to post (or list) each transaction as it occurs. As each disbursement is made, a Petty Cash Receipt or Petty Cash Voucher is completed and entered in the Petty Cash Record and then placed with the remaining money in the petty cash box. The petty cash box should always contain paid petty cash receipts and/or money equal to the amount of the original advance.

To replenish the account, the Petty Cash Reimbursement Form should be completed and sent to the LEARN Fiscal Office with a Purchase Order made payable to the Petty Cashier/Petty Cash along with all petty cash receipts. The receipts will be checked for proper coding and are needed for auditing purposes. Unless otherwise notified, a check will be issued to the Petty Cashier in the amount of the receipts turned in, coded to the budget line items summarized, restoring the petty cash account to its original balance. It is recommended that a request for reimbursement be done when approximately half of the fund is depleted. This should allow enough time for the processing of a new check before all funds are gone.

Please remember that an account can only be reimbursed for paid cash receipts. If money is advanced to a staff person a petty cash voucher should be completed, signed by the staff person, and held as "Outstanding" until actual receipts are turned in to accounting for the advance. The person receiving the advance - by signing the voucher - accepts financial responsibility for the funds. When the purchase is complete, the money advanced must be accounted for by a paid receipt and/or any cash remaining. If the purchase price is more than the original advance, an additional payment may be made when the receipt is turned in. Vouchers left outstanding for too long a time tie up and limit cash flow of the petty cash account. All outstanding vouchers must eventually be accounted for. If the staff person receiving the advance does not turn in the paid receipts, then he/she must repay the cash to the petty cash account.

At the end of the fiscal year, or at the end of the specific budget/grant, the petty cash account must be closed. To accomplish this, all receipts and/or cash totaling the amount of the original advance must be turned into the Fiscal Office with a completed Petty Cash Reimbursement Form. If the program and/or petty cash account is to be terminated, the above procedure should be followed. If the program and the petty cash account are to continue in the next Fiscal year with no break, the normal reimbursement procedures should be followed noting the change of the fiscal years of the Purchase Order. If the program will re-open the petty cash account at a later date, the original procedures prevail, i.e. close in June - re-open in September.

To Open An Account (continued)

If the Petty cash account has been depleted, be very careful not to mix PAID Petty Cash Receipts with UNPAID Petty Cash Receipts. It is best not to accept receipts from staff until the funds to pay them are available.

If after carefully double checking, the petty cash account does not balance, or, if any problems arise, please notify the Director of Business/Finance as soon as possible so that a meeting may be arranged to resolve the problem.

