

PETTY CASH FUND POLICY

Title:	PETTY CASH Fund Policy
Policy Number:	AC 20/02.2017
Effective Date:	February 1, 2017
Issuing Authority:	President

1. OVERVIEW

Petty cash is a convenient way for local units to cover pay for minor expenses when other disbursement methods are impractical. This policy establishes the proper uses and administration of petty cash funds. Each petty cash fund must have an approved Custodian, who documents expenditures, keeps receipts, and safeguards the funds.

2. POLICY

1. Each College is authorized to use a maximum amount of \$1000 on petty cash purchases annually;
2. Each college shall hold a \$500 of petty cash for minor expenses.
3. Petty cash funds should be placed in a secure area such as a locked drawer or small safe.
4. The College's DA is the Custodian of the fund.
5. In the event of theft, the Custodian should notify the Dean immediately.
6. The petty cash expenses log must be reconciled to the amount in the cash box at the end of each semester.
7. The petty cash fund may be replenished as long as the annual petty cash expenses does not exceed \$1000. Replenishment with submission of receipts must be done at least once per semester.
8. When petty cash funds are replenished, the total of the replenishment cannot exceed the full balance of the fund.
9. The fund's Custodian is responsible for maintaining:
 - a. A log of expenses on a Petty Cash Reconciliation and Request for Replenishment Form
 - b. Receipts for each transaction which may be subject to review by the Internal Auditor.
 - c. Replenishing the account when the petty cash fund runs low.
10. Petty cash funds may be used mainly to:
 - a. Support students summative learning projects or special innovative activities;
 - b. Cover faculty travel costs in excess of travel policy provisions up to 500 per faculty member per year;
 - c. Procure minor equipment to support faculty research, improve lab infrastructure or office services;
 - d. Buy subscriptions to specialized magazines,
 - e. Purchase educational material such as DVDs, demonstration gadgets, etc.;
 - f. Pay annual fees for the faculty advisors of professional societies
 - g. Buy multimedia material to support teaching and LSC activities;
 - h. Print college related materials such as posters, brochures, etc.;
 - i. Buy minor office furniture;
 - j. Advisory board annual meeting and college sponsored major events;
 - k. Other improvement projects.

11. The Dean has the authority to approve purchases that are less than \$100. Purchases up to \$300 require the approval of the VPAA.
12. The Finance Department shall be notified to tag any purchased fixed assets items.
13. Purchases that exceed the upper limit of allowed petty cash spending cannot be broken asunder;
14. The Dean shall prepare and submit an annual report to the Finance Department that includes all transactions and supporting documents of all petty cash expenses.

3. STAKEHOLDER IMPACT AND SCOPE

This policy provides flexibility to the academic units to cover minor expenses without having to follow standard procurement procedures.

4. RELATED DOCUMENTS

- University financial and procurement Policies and Procedures
- College Discretionary Fund Policy

5. APPROVAL AND REVIEW

The stakeholders who participated in moving the policy forward are:

1. Proposed by the Office of the VP for Academic Affairs
2. Discussed and recommended by the Board of Deans

6. FINAL APPROVAL

Approved by RHU Administrative Board on October 22, 2024

