



Where Your Future Is Waiting

POLICY NUMBER: 5.005

Title: Petty Cash

Effective Date: 02/10/2008

Last Review/Revision Date: 04/04/2023

Petty Cash

PURPOSE

To state the policy and procedure of Central Louisiana Technical Community College (CLTCC) regarding the establishment and use of petty cash funds and address the issues of accountability, security, replenishment, and appropriate uses of the funds. It is the responsibility of the CLTCC Finance Department, each Custodian, each Custodian's supervisor, and Campus leaders to ensure that all petty cash transactions are reimbursed in accordance with LCTCS (Louisiana Community And Technical College System) and CLTCC policy and are processed with internal controls.

DEFINITIONS

Custodian: A Petty Cash Fund Custodian.

Petty Cash Fund: A supply of cash necessary to make immediate payments for the purchase of authorized items. This fund requires replenishment.

Petty Cash Officer: A staff member in the College Finance Department with the authority to disburse Petty Cash and administer the funds according to the policies and procedures established by the College. This officer must approve issuance of all Petty Cash.

Petty Cash Fund Custodian: A full-time permanent employee of the College responsible for maintaining the security, accountability, and replenishment of a petty cash fund.

GENERAL PROCEDURES

1. A campus employee requests prior verbal approval from the campus dean to purchase an item which will be reimbursed by petty cash. The campus employee makes a purchase not exceeding \$50 without VC of Finance and Administration approval.
2. After the purchase has been made, the employee signs the original receipt and submits it to the Petty Cash Funds Custodian for reimbursement. All petty cash reimbursement requests should be submitted within 30 days of the purchase.
3. When petty cash funds need to be reimbursed, the campus petty cash fund custodian will complete the CLTCC Petty Cash Transaction Listing form and will ensure that the total cash on hand plus the total reimbursements in transit and original receipts equals the total amount of petty cash authorized for that campus. The campus petty cash fund custodian forwards the CLTCC Petty Cash Transaction Listing Form along with all receipts to the CLTCC Finance Department.
4. After the College Petty Cash Officer reviews the CLTCC Petty Cash Transaction Listing form and original receipts, the form is forwarded to Accounts Payable to enter into Banner. A check will be issued to the campus petty cash fund custodian and mailed to the appropriate campus.

All petty cash transactions must be made in accordance with the following guidelines:

- a. The campus petty cash fund custodian supervisor will ensure that internal controls are adhered to in accordance with the CLTCC Cash Handling & Bonds & Crime Procedure # 5.013.
- b. No reimbursement can be issued without the original signed receipt.
- c. The following transactions and purchases may not be processed with petty cash funds:
 - a. Items required to be purchased through the regular purchasing process
 - b. Travel reimbursements
 - c. Registration and Membership fees
 - d. Check cashing, loans, and cash advances for employees or students
 - e. Personal Expenses
 - f. Gifts
- d. Maintain the petty cash fund on college premises.
- e. Secure the Petty Cash Fund in a locked box and in a locked location (desk drawer, file cabinet, vault, etc.). Petty Cash Funds may not be placed in a bank account, or kept in the Custodian's wallet or purse, or otherwise commingled with personal funds.
- f. Ensure that access to the petty cash is limited to the authorized Custodian.
- g. Inform the Petty Cash Custodian's Supervisor of the location of the Petty Cash Fund.
- h. Maintain accountability and accuracy for the Petty Cash Fund by complying with College Policy # 5.013 Petty Cash Handling and Bonds & Crime.
- i. Secure and make available all documents relating to the Petty Cash Fund to Internal Audit and/or State Auditors.

- j. Periodic audits of the petty cash fund can be conducted by the CLTCC Finance Department.
- k. Final petty cash reimbursement request must be submitted by the first week in July.

Violations of this policy may result in the removal of the petty cash fund from a campus.

INCREASE/DECREASE IN PETTY CASH

Each campus Petty Cash Custodian shall request in writing the amount of petty cash funds that the campus wishes to keep on hand. After a change in petty cash has been authorized, the Director of Accounting or their designee will submit a CLTCC Voucher Transaction Form to Accounts Payable for the approved increase and an entry with the appropriate additional required chart fields should be made via a journal voucher.

Review Process:

<i>Name</i>	<i>Title</i>	<i>Approval Date</i>
<i>James R. Sawtelle, III, Ed.D.</i>	<i>Chancellor</i>	

Distribution:

Electronic: posted to College's website and sent via email to College personnel