

PETTY CASH FUND REGULATIONS

A. BACKGROUND:

The petty cash fund is maintained in the central office to facilitate the processing and payment of minor purchases or expenditures not processed by the Purchasing Office, the reimbursement of minor local travel expenses, and the payment of small obligations when the issuance of a formal voucher and check is not cost-effective. However, the use of the petty cash fund must not be considered a substitute for or a means of circumventing established purchasing procedures.

B. REGULATIONS:

- 1) The total value of each item reimbursed may not exceed \$30.00, unless specifically approved by the Director of Accounting. Purchases that are in essence one unit may not be divided for purposes of avoiding this limitation.
- 2) Items available under an existing contract or agreement may not be purchased through the petty cash fund, except in bona fide emergencies (as certified, in each case, by the department head).
- 3) Petty cash expenditures must be approved by the department head or his/her designee before reimbursement can be made.
- 4) Petty cash funds may not be used for payment of salaries or wages, for cashing checks or other negotiable instruments, for personal loans, or for items for personal use or benefit.
- 5) Petty cash funds may not be used for the payment of travel, except for:
 - a. Travel where legal requirements dictate emergency travel, where time is of the essence, and the travel is initiated after normal business hours; or
 - b. Out-of-pocket expenses for local travel that do not exceed \$30.00 in total, e.g., parking fees, highway tolls, or bus or taxi fares;
- 6) Petty cash funds may not be provided as advanced funds, except to pay for food, tolls, and fuel for school bus drivers and Educational Facilities Department staffers on overnight or out-of-town school trips.
- 7) Persons making unauthorized purchases or exceeding prescribed limits will be personally responsible for the cost of such purchases or such excess.
- 8) The Director of Accounting is responsible for the proper operation of the petty cash fund and for ensuring compliance with the regulations contained herein. Where circumstances warrant, the Director of Accounting may authorize exceptions to these regulations.

46 9) The forms prescribed by the Director of Accounting will be used in all cases for
47 reimbursement purposes.
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49 10) Under no circumstances will charges for alcoholic beverages or smoking tobacco or
50 devices (cigarettes, cigars, e-cigarettes) be allowed for reimbursement.
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52 **C. ALLOWABLE PAYMENTS:**

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54 The following items may be paid through the petty cash fund:

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- 56 1) Fees paid out of pocket when representing the school division on official business at a
57 professional meeting; e.g., luncheon meeting.
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 - 59 2) Expenses paid out of pocket while conducting official business; e.g., bus or taxi fares,
60 highway tolls, and parking lot and parking meter fees.
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 - 62 3) Sales taxes on materials and supplies, on food items, and on travel-related expenses if it
63 is not practical for individuals to be given tax-exempt certificates prior to the purchase
64 being made.
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66 **D. THE PETTY CASH DISBURSEMENT PROCESS**

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68 1) *Documentation:* All disbursements from the central office petty cash fund must be
69 documented. The Central Office Petty Cash Voucher (attachment 1) is the recommended
70 form of documentation. All documentation must contain the following information:
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- 72 a. A brief description of the nature and purpose of the expenditures (e.g., parking in
73 Alexandria for a meeting with the Neighborhood Council).
74
- 75 b. All applicable accounting codes (1100-XXXX-XXXXXX-XXXX-XXXX-XX-X)
76
- 77 c. Applicable supporting documentation (e.g., original cash register receipts, sales
78 tickets, cash receipts, toll receipts, etc.).
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- 80 d. The supporting documentation must not be more than 30 days old and must be for
81 the current fiscal year.
82
- 83 e. Approval of the department head or department head's designee.
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- 85 f. Claimant must comply with requirements a. through e. above before submitting
86 the Central Office Petty Cash Voucher to the fund custodian.
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88 2) *Submission of Claim:* Before money is actually paid out to the claimant, the fund
89 custodian will:
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- 91 a. Examine the petty cash documentation for propriety and acceptability with the
- 92 above requirements.
- 93
- 94 b. Ensure that the Central Office Petty Cash Voucher is supported by the appropriate
- 95 documentation.
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- 97 c. Have claimant provide identification, if necessary.
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- 99 d. Have claimant sign and date the petty cash voucher.
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- 101 e. Verify that the department head's account has sufficient funds to replenish the
- 102 petty cash fund.
- 103
- 104 f. Place the amount to be reimbursed in an envelope and attach it to the Central
- 105 Office Petty Cash Voucher.
- 106
- 107 g. Ensure that the claimant signs the Central Office Petty Cash Voucher before the
- 108 money is released.
- 109
- 110 h. Ensure the payment is witnessed if the fund custodian is the claimant.
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112 3) *Reimbursement of Claim:*

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- 114 a. Allow one work-day after submitting the Central Office Petty Cash Voucher for
- 115 the fund custodian to process the reimbursement.
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- 117 b. Reimbursement may be picked up between the hours of 8:00 a.m. and 12:00 p.m.
- 118 on the following work day.
- 119
- 120 c. In the event the claimant is unable to come during these hours, the claimant
- 121 should call to make certain the fund custodian is available to issue the
- 122 reimbursement at alternative times during the work day.
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124 4) *Travel Advance Requests by Transportation School Bus Drivers and Educational Facili-*

125 *ties Department Staff members:*

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- 127 a. Requests for advanced petty cash funds can only be submitted for school-
- 128 sanctioned activities occurring beyond a 50 mile radius from ACPS, and qualify
- 129 as non-local travel.
- 130
- 131 b. Vouchers for advance petty cash requests must indicate -
- 132 i. estimated amounts for tolls and related travel costs,
- 133 ii. the number of traveling Pupil Transportation or Educational Facilities
- 134 Department staffers.
- 135

- 136 c. Vouchers for advance petty cash requests must be approved by department heads
137 or their designees prior to the disbursing of the advanced funds.
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- 139 d. Department heads must ensure that itemized receipts are submitted within 24
140 hours of the conclusion of the travel activity.
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- 142 e. Itemized receipts totaling the amount of the advanced funds must be submitted to
143 clear the advance petty cash voucher.
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 - 145 i. If the itemized receipts are less than the advanced amount, a cash payment
146 must be provided with the receipts.
147
 - 148 ii. If the itemized receipts exceed the advanced funds, no additional
149 reimbursement will be provided unless additional costs were due to an emergency
150 (ACPS vehicle repairs needed) or actual costs exceeded estimated amounts.
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152 5) *Petty Cash Fund Reconciliation and Replenishment Process*
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- 154 a. The petty cash fund shall be reconciled by the fund custodian when vouchers total
155 more than \$100.00, or when the available petty cash balance is less than \$500.00.
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- 157 b. The reconciliation shall identify the vouchers and amounts disbursed and include
158 the supporting itemized receipts for each disbursed voucher.
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- 160 c. The reconciliation shall be provided as support for a special check request to
161 replenish the petty cash fund to \$2,000.00.
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- 163 d. Periodically, the Director of Accounting or his/her designee shall perform an
164 unannounced count of the petty cash fund and vouchers on hand.
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167 Issued: August 31, 2015

168 Affirmed: December 5, 2019

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170 Legal Ref.: Code of Virginia, 1950, as amended, § 22.1- 123.

171

172 Cross Ref.: DJF Purchasing Procedures

173 DJB Petty Cash Funds

