

**Regulation 5530R**

**Non-Instructional/Business Operations**

**PETTY CASH FUNDS AND CASH IN SCHOOL BUILDINGS**

**Responsibility**

Each district building shall have a custodian of petty cash who will be responsible for managing petty cash funds, including reimbursement, replenishment, record-keeping and reporting.

**Use of Funds**

Petty cash funds may be used only for necessary purchases that cannot conveniently be made through the normal purchase order procedure.

Individual petty cash purchases may not exceed \$20.

The district does not pay sales tax. Individuals making petty cash purchases should encourage vendors to honor the district's sales tax exempt number. Under no circumstances will the district reimburse for sales tax.

Petty cash expenditures must fall under an appropriate budget code. Individuals making a petty cash purchase should confirm that funds are available in the proper code prior to making the purchase.

**Reimbursement for Petty Cash Expenditures**

Individuals making purchases must submit the following to the custodian:

1. An expenditure voucher (see 5530F.1).
2. An original receipt, sales slip, cancelled check, or other proof of purchase.
3. A personal reimbursement form (see 5530F.2).

**Record Keeping**

The custodian will maintain a journal of all petty cash transactions, including purchases, receipts, reimbursements, and replenishments of the account, and will submit a monthly report of activity to the Business Office. The report must be signed by the custodian and his/her supervisor.

**Replenishment of Funds**

A petty cash fund may not exceed \$100 at any one time. However, funds may be replenished as they are used. In general, a fund should be replenished as soon as one-half of the fund has been disbursed.

The custodian of petty cash will request replenishment from the Business Office Account Clerk as needed. Requests will be accompanied by a report of transactions, including signed vouchers, original receipts or other proof of purchase, and a purchase order requisition.

The Internal Claims Auditor will verify the accuracy of each petty cash receipt. The Auditor will consult with the custodian regarding any changes that may be needed.

Upon verification, the Internal Claims Auditor will submit the request and accompanying documentation to the Business Office for a purchase order, and then to Accounts Payable for check processing.

Checks replenishing a fund will be forwarded to the custodian of petty cash.

**Safeguarding Funds**

Petty cash funds will be kept in a secure environment and will not be mingled with other cash.

All petty cash must be returned to the District Treasurer before June 15<sup>th</sup> of each year, along with the petty cash journal, all original receipts, signed vouchers, and other relevant documentation.

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