



## AP 513 – PETTY CASH FUNDS

### BACKGROUND

The chief financial officer will establish Petty Cash Funds as required for the improved efficiency of the division.

### PROCEDURES

1. Petty cash funds are to be used for the payment or purchase of postage, minor office supplies, consumables, instructional supplies and other incidentals, as may be necessary from time to time. Except for extenuating circumstances, no single purchase made through the use of petty cash shall exceed \$100.

Petty cash funds are not intended for use where other methods of payment are available such as electronic staff reimbursement or purchasing card.

2. Petty cash funds are set at \$500 for elementary and \$1,500 for secondary schools. Upon application by the school principal, the chief financial officer shall have the authority to increase the petty cash fund for a school.

The student international education program will be exempt from these limitations and will be allowed a fund of \$1,000 with a single maximum transaction limit of \$250.

3. Cash should not be disbursed from petty cash until supporting itemized receipts and invoices are received; correspondingly, employees should not sign documents indicating they have been reimbursed until such time that cash has been received.

All purchases shall be supported with appropriate itemized receipts and invoices. Packing, debit, or credit card slips are not considered as sufficient documentation.

Petty cash funds shall be replenished by accounting services upon receipt of authorizing documentation itemizing activity and accompanied by applicable invoices and itemized receipts. Information to be recorded on the petty cash form includes:

- account numbers to which the expenditures are to be charged.
- dollar amount of the receipt and reimbursed value
- the reimbursed value incorporates the rounding up and down of the penny to the nearest .05 cent increment. Receipts ending in 1, 2, 6, and 7 round down, the receipts ending in 3, 4, 8 and 9 round up.

4. Petty cash funds shall be administered in the following manner:
  - 4.1. In schools, the principal or designate shall be responsible for the administration of petty cash funds and shall approve all purchases made from the fund.
  - 4.2. Upon receipt of an application for such, the chief financial officer may authorize petty cash funds in Division offices. The applicant shall administer any such fund.



- 4.3. In extenuating circumstances, the chief financial officer may authorize the replenishment of petty cash funds for which receipts and invoices have not been submitted or for items in excess of \$100.
5. Some schools apportion part of their petty cash funds to be used as floats. For example, a collegiate may manage its petty cash funds as follows:
- |              |   |   |
|--------------|---|---|
| \$500        | = | petty cash box                          |
| <u>1,000</u> | = | 10 x \$100 floats (in individual boxes) |
| \$1,500      | = | TOTAL OF PETTY CASH ENTITLEMENT         |
- Petty cash box, invoices/receipts disbursed from petty cash, and floats must always total petty cash entitlement extended to the school. Verification via petty cash count must be performed prior to
- petty cash fund replenishment by accounting services
  - termination or turnover of staff, and
  - at minimum, on an annual basis
6. Petty cash and other float boxes should be kept in safe storage and clearly marked from other cash sources when not in use. Petty cash funds shall be subject to audit at any time.
7. If a shortage is discovered, it must be reported promptly to the chief financial officer and manager of accounting services who, after reviewing the circumstances of the case, shall take necessary corrective or recovery action.

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