

**OCCIDENTAL COLLEGE
PETTY CASH REIMBURSEMENT
Last Updated: October 2019**

PURPOSE

This policy establishes Occidental College's reimbursement policy involving petty cash by providing guidelines for the appropriate establishment, use, and accountability of such funds.

PETTY CASH POLICY

A Petty Cash Fund provides a College department with a means by which small or minor departmental business expenses can be paid for without the need for having a check drawn.

THE OPERATION OF THE FUND

1. The Petty Cash Fund has a Custodian in charge of the Fund. The Custodian must be a full-time employee of the College. The Custodian and the amount of the fund must be approved by the head of the department using the Departmental Petty Cash Establishment/Change Form. A copy of this form must be on file in the Cashier's Office. At the time the Fund is established, the Custodian is required to sign the Departmental Petty Cash Establishment/Change Form, acknowledging that the instructions are understood. **The Custodian is personally liable for the amount of the Fund.**
2. All expenditures from the Fund must be supported by original invoices or receipts obtained from the company or individual to whom the money was paid. These supporting documents must indicate the date, amount, and details of the item(s) purchased.
3. Refer to the College's general [Expense and Reimbursement Policy](#) for acceptable business expenses.
4. The Custodian must have on hand at all times supporting expenditure documents plus cash in an amount equal to the original amount of the Petty Cash Fund issued. The Petty Cash Fund will be reviewed and balanced annually by the cashier.
5. To replenish the Fund, the Custodian must fill out a [Petty Cash Voucher Form](#) itemizing the amount of replenishment. The [Petty Cash Voucher Form](#), together with all supporting expenditure documents, needs to be delivered to the Cashier's office for reimbursement. The Petty Cash Voucher Form must be made payable to the Custodian and must be approved by an authorized approver other than the Custodian. In most cases, the authorized approver is the Custodian's supervisor. The Custodian will receive cash equal to the amount of expenditures, thus bringing the cash balance of the fund back to its original amount.
6. A Petty Cash Fund cannot be transferred from one Custodian to another. Upon termination or transfer of the Custodian, or in circumstances where the Fund is no longer required, the Fund must be closed by returning all cash and expenditure documents to the Cashier's office. If the Fund is to be re-established, a Departmental Petty Cash Establishment/Change Form must be completed designating a new Custodian.

OTHER PERTINENT INFORMATION

1. All Petty Cash Funds are subject to an audit, unannounced, by personnel in the Business Office or the College's external auditors.
2. All Petty Cash Funds require safeguards against theft. The Custodian is personally responsible at all times for the appropriate and adequate safekeeping of these funds. The money must be kept in a secured, locked location and must never be commingled with an individual's personal funds or any other College funds. Only the Custodian and the department head should have access to the funds.
3. Misuse of the Petty Cash Fund will result in termination of the Fund and Petty Cash Fund privileges will be revoked.
4. Petty Cash Funds should be used only to pay small or minor departmental expenses. The Fund MUST NEVER be used for:
 - a) Travel and/or entertainment advances.
 - b) Personal loans or cashing of checks.
 - c) Purchasing gift cards or gift certificates.
 - d) Payment to individuals for services of a taxable nature (including tips or gratuities for services).
 - e) The purchase of the same item or items on a daily or recurring basis. These expenses should be handled through Accounts Payable or a purchasing card.
 - f) Any other use where it would be more practical or appropriate for the expenditure to be disbursed in another manner, for example, reimbursing employee's out of pocket expenses (these expenses must be reported on an Employee Expense Reimbursement Form).
5. In the event of theft of Petty Cash funds, contact Campus Safety and the Cashier's Office immediately and file a report. Please attach the theft report to the "Petty Cash Voucher Form" and submit to the Cashier's Office.
6. It is the responsibility of the Custodian to count the cash at the Cashier's window for accuracy. The Cashier is not responsible for any cash discrepancy once the Custodian leaves the Cashier's window.
7. If there is a change to the amount of or location of the Petty Cash Fund, the Custodian must notify the Cashier's Office via the use of the "Departmental Petty Cash Establishment/Change Request Form".