



PETTY CASH GUIDELINES

POLICY

The Archdiocese of Miami Finance Office provides these guidelines for entities to be able to maintain a Petty cash fund. Entities are responsible for the adequate security and control of their petty cash funds. The fund should always be secured in a locked place. Because no insurance is available to cover losses from the fund, theft and any other losses of petty cash are the responsibility of the person in charge of the Petty cash. Recommended amount should not exceed \$300.

PURPOSE AND USE

Petty cash can be used to respond to requests for charitable assistance when use of a check is not feasible. Petty cash can be used to reimburse individuals for non-travel, out-of-pocket expenditures. Petty Cash can sometimes be used in place of charge card purchasing when appropriate, for example, as reimbursement for small, incidental property expenses when it is unfeasible or impractical to use normal purchasing means. Petty cash should be used in this manner only when absolutely necessary. To the extent possible, purchases should be made using a check or a parish credit card.

PROHIBITIONS

Petty cash should not be used for the following:

- Travel expense reimbursements. Travel Expense report should be used instead.
- Travel advances.
- Payment for items that are to be purchased through a regular purchasing system. (ie. Supplies)
- Payments to employees for services, awards, or any type of remuneration to employees.
- Personal borrowings (IOUs). Loans are prohibited.

PETTY CASH CUSTODIAN

Appointment

The petty cash fund should always be secured. The person authorized in each entity (Principal, Pastor, or entity head) will be responsible to appoint a custodian, who is a member of the staff, to monitor its use and replenishment. There should only be one person with access to the petty cash.

Responsibilities

It will be the responsibility of the custodian to ensure that this fund is used to cover only those expense reimbursements for which it is not possible, or is not feasible, to use the normal purchasing methods.

DOCUMENTATION

Properly document each transaction in the following manner:

- Submit a detail journal of all transactions, identifying all pertinent information (who, purpose, transaction detail and date of expense). Identify account to be charged.
- Attach all original receipts, or other documentation to note the use of petty cash.
- Each transaction is to be signed by the person receiving the cash as well as the one approving the expense.

REIMBURSEMENT PROCESS

Petty cash should be reconciled once a month. If any expenses were incurred, they are to be replenished and accounted for in the month of the expense. The custodian after reconciling will send reconciliation together with request to replenish the fund to the accounting department for processing. Reimbursement request needs to be approved by authorized person. Petty cash check is to be made to the name of the person going to the bank to cash the check – Petty Cash. Example payable to: John Doe – Petty Cash

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Current: September 21, 2022

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