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Name:	Cash and Credit – Petty Cash
Policy Number:	4-5004
Origin:	Financial Services
Approved:	1 April 1992
Issuing Authority:	Director, Financial Services
Responsibility:	Manager, Reporting & Audit
Effective Date	1 June 2011
Revision Date(s):	1 March 1993, 1 September 2006, 30 September 2007 1 June 2011

In some departments it is often necessary to make small purchases on behalf of the University for which it would be inefficient to prepare a purchase order or impossible to use a Procurement Card. If approved by the Director, Financial Services, a petty cash fund may be established. A petty cash fund is typically no more than \$50 - \$100 in total.

Custodian - It is the responsibility of the Department Head/Manager to appoint a Custodian to be responsible for the petty cash fund and to notify Financial Services of the Custodian. If there is a change in the Department Head/Manager or the Custodian, notify the Manager, Account Services immediately by completing and submitting the [Petty Cash Fund Change Form](#). The Custodian must keep the petty cash in a locked box or other secure location. The Custodian is responsible to ensure that the total value of the fund is always on hand, in the form of either cash or receipts, as these funds are subject to audit by Financial Services at any time.

Petty Cash Report – The Custodian must complete a [Petty Cash Replenishment Report](#) for re-imburement of funds. Each purchase must be supported by an original receipt. The Custodian must note the purpose / nature of the purchase on the receipt or on a [Petty Cash Voucher](#). The original [Petty Cash Replenishment Report](#), with supporting receipts and vouchers attached, must be reconciled and forwarded to Accounts Payable for processing. Accounts Payable will issue a cheque payable to the custodian of the fund.

Forms - Petty cash forms are available on the [webpage](http://smu-web5.smu.ca/pages/financial-services/internal-forms.php).
(<http://smu-web5.smu.ca/pages/financial-services/internal-forms.php>)