



Catholic Diocese of Columbus

- Policy Guideline
 Diocesan Parish School All

650.0 - Petty Cash Funds

At the discretion of the pastor/principal/director, a petty cash fund may be established for small, incidental expenses of the parish, school, agency or institution where, due to timing, the issuance of a check for reimbursement is not reasonable.

In certain cases, an entity may establish more than one petty cash fund. Care must be exercised to limit the number of funds to only those that are necessary.

If a petty cash fund is established, the following policies will be adhered to:

Petty Cash Fund Limits

- A limit, **not to exceed \$500.00 for each fund established**, should be set on the maximum funds to be kept in the Petty Cash fund and is dependent on the entity needs.
- Funds held in the Petty Cash fund are to be kept segregated from other funds.

Managing the Petty Cash Fund

- A primary and secondary employee must be assigned the responsibility for serving as custodians and processing transactions of the Petty Cash fund.
- The Petty Cash fund is to be kept in a secure location with limited access, preferably a safe. If a safe is not available, the Petty Cash fund is to be kept in a locked drawer in an office of the business location. Access to the funds will be limited to only the assigned custodians.

Petty Cash Disbursements

- Disbursements from the Petty Cash fund must be supported by a written request, including the name of the person the disbursement is made to, the purpose of the expense, and the account to be charged. A valid receipt must be attached to the request.
- Disbursements from Petty Cash must be approved by the Pastor/ Canonical authority/ Principal/ Director or their designee. The approving authority should be a person(s) other than the assigned Petty Cash fund custodians.
- The Petty Cash fund is never to be used to cash checks for employees, parishioners, etc.

Recording Petty Cash Transactions

- At month end, or at the time the Petty Cash fund is replenished, all Petty Cash transactions will be recorded in the entity's accounting system. The Petty Cash account should be reconcile at this time. The total of the processed Petty Cash fund requests plus Petty Cash fund cash on hand will always be equal to the Petty Cash fund limit. Discrepancies must be reported to the pastor/principal/director and addressed in a timely manner.



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Replenishing the Petty Cash Fund

- The Petty Cash fund is to be replenished at least once per month, preferably at month end, after the Petty Cash fund has been reconciled. The funds to replenish the Petty Cash fund are obtained from the entity checking account. A check is written payable to “Cash” for the amount needed to bring the cash balance back to the Petty Cash fund limit. As with other disbursements, a written check request, approved by the Pastor/ Canonical authority/ Principal/ Director or their designee is needed to request the funds.
- Funds are never to be taken from a Sunday collection or other source of income/receipts to replenish the Petty Cash fund.