



MPC

FOUNDATION

MONTEREY PENINSULA COLLEGE

Cash and Cash Equivalents Policy

MPC Foundation may secure its liquid resources in any combination of traditional bank checking or savings accounts; money market accounts; short-term brokerage accounts; petty cash funds; or digital payment balance accounts. The Foundation will regularly reconcile statement balances for all such accounts to the General Ledger, and the Executive Director will review and approve the reconciliation.

The Executive Director shall establish and maintain administrative procedures to ensure that Foundation operations support this Policy.

BANK ACCOUNTS

- The MPC Foundation will preferentially secure funds in financial institutions that are insured by the FDIC or NCUA. No such account may carry a balance over the FDIC/NCUA insured amount.
- The Executive Director and at least two Board members designated by Board Resolution shall be the signatories on all MPC Foundation's bank and brokerage accounts.
- The ED shall authorize and sign all check disbursements, and may sign either by hand or via a signature stamp that resides securely with the Executive Director's designee.
- All expense transactions exceeding \$5,000 require additional approval by an authorized signatory prior to disbursement.

PETTY CASH FUND

- The MPC Foundation strongly prefers to pay obligations via check or bank card. However, Management may maintain a **\$200.00** Petty Cash Fund from unrestricted funds to accommodate cash emergencies.
- The Foundation may use Petty Cash for incidental purchases of \$50.00 or less. A cash requestor should seek pre-approval by the Executive Director, but if time does not permit pre-approval, can request cash from the Accounting Manager. If approval is not subsequently granted, cash requestor must reimburse cash to the Foundation.
- The Foundation will maintain the Petty Cash in a secure location, and shall regularly replenish the cash balance to \$200.
- The Petty Cash Fund will be treated as a Bank Account within the Financial Accounting system, and will be reconciled and presented to ED for approval like other Bank Accounts

DIGITAL OR ONLINE PAYMENT BALANCE ACCOUNTS

- While the MPC Foundation prefers to meet its obligations via check or bank card payments, Management may also establish accounts with digital/online payment services that retain a small

temporary balance for contactless disbursement and receipt of funds. Examples of such services include *PayPal*, *Venmo*, and *Zelle*.

- The Executive Director shall be the nominal and responsible account holder for such digital/online accounts.
- Any such account will be treated as a Bank Account within the Financial Accounting system, and will be reconciled and presented to ED for approval like other Bank Accounts
- MPC Foundation will closely monitor the balances in digital/online accounts to ensure adequate funds for anticipated disbursements while minimizing uninsured exposure risk.

Approved **XXX nn**, 2022 by MPC Foundation Board of Directors

Rob Lee, President

Date