OMS Petty Cash Function
Standard Operating Procedure (SOP)

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1.   Purpose

The purpose of this Standard Operating Procedure is to provide the Sierra stores (field) organization with the necessary information and detail instruction on how to complete Petty Cash transactions.

Sierra store management may be asked or required to makes purchases outside of the store or approve expenses for the store, be it for supplies, services, Associate recognition, or other reimbursement-eligible needs. When these purchases or expenses are either (1) completed by a member of management using their personal funds or (2) incurred by a vendor/service provider that requires immediate cash payment, a Petty Cash transaction must be completed.

2.   Petty Cash Policy

1. Only a member of Management (Assistant Store Manager or Store Manager) may authorize and complete a petty cash transaction.

1.1 All transactions require a **reason** to be selected and an **explanation** of the expense/s, along with the name of the **person** responsible for the petty cash purchase/expense.

1.2 Petty Cash transactions require two members of management to complete each transaction. The manager who initiated the expense or made the purchase will process the transaction under their OMS ID, acting as a *Processor*, whilst the other manager will review and approve the petty cash transaction, acting as an *Approver*.

2. A District Manager (DM) or higher must approve all Petty Cash transactions with a total value over $50.00. Store management must email their DM to request expense/purchase approval and explain the reason for the petty cash **PRIOR TO** completing the Petty Cash transaction.

2.1 Email approvals from the DM must be printed and filed with the daily paperwork along with any Petty Cash receipt/s, for audit purposes.

3. Hourly Associate mileage valued at over $100 must be submitted by an expense report in Oracle iExpense. All Assistant Store Manager and Store Manager travel and mileage expenses, regardless of value, must also be submitted through iExpense.

3.   *Petty Cash Procedure*

Processing a Transaction

1) Two members of management must complete each petty cash transaction together, with one manager acting as the *Processor* and the other manager acting as the *Approver*. The *Processor* will logon to OMS using their OMS ID.

2) The *Processer* will access the Petty Cash function by navigating to the *Transactions* menu, then selecting *Sales Order Processing>Petty Cash*.

2) A sign in window will appear. The *Processor* enters their AIN and continues with steps 3-8.

3) At the main screen, first select if the transaction type, either **Cash Out** or **Cash In**
> a) *Cash Out* applies to all transactions where **individual reimbursement** is required, and cash will be taken out of the register as form of payment. *Cash In* applies to all transactions where **company reimbursement** is required and cash will be accepted into the register as a payment back to The TJX Companies, Inc. **The most common transaction type in** *Cash Out*.

4) **Reason:** Select a reason from the drop-down menu that best matches the reason/description for the Petty Cash Transaction.
> a) The following reasons are available to select from:

> **Associate Final Pay No Reimbursement Necessary** – Used as *Cash Out* only with the written approval of Payroll Services and a Human Resources Business Partner (regardless of the value of the payout) to create a final pay cash advance to a terminated Associate.

> **Associate Mileage** – Used as *Cash Out* when eligible, reimbursable hourly Associate mileage, valued under $100, must be paid to an Associate. Please refer to the full TJX Travel Policy for further details.

> **Associate Motivation** – Used as *Cash Out* for reimbursement of all approved purchases related to Associate recognition, rewards, motivation and planned Associate events. This includes, but is not limited to: Associate meal/catering purchases, TJX Snack Rack, lounge decorations, and holiday meals.

> **Associate of the Quarter** – <u>FUTURE USE</u>. Used as *Cash Out* for reimbursement of any approved purchases or services directly related to the *Associate of the Quarter* program.

> **Associate Pay Advance Reimbursement Required** - Used as *Cash Out* only with the written approval of Payroll Services and a Human Resources Business Partner (regardless of the value of the payout) to create an off-cycle pay advance. Used as *Cash In* for repayment of any eligible previous pay advances.

> **Authorized Emergency Repair** – Used as *Cash Out* only with the written approval of a District Manager or higher (regardless of the value of the payout) to either (1) make an immediate cash payment to an authorized repair service provider or (2) reimburse a member of store management for a purchase related to an urgent facility or fixture repair.

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Customer Satisfaction – Used as *Cash Out* for payment of any exceptional, Store Manager approved Customer service resolution that requires the need for a gift card or cash payment to be issued to a customer.

Flowers – Used as *Cash Out* for reimbursement of any DM-approved purchases of floral or other arrangements to express condolence, gratitude, or recognition toward TJX Associates.

Member Mornings – Used as *Cash Out* for reimbursement of all purchases related to the setup and execution of scheduled TJX Rewards Member Morning events. This includes the sale of Sierra/TJX gift cards.

Postage – Used as *Cash Out* strictly for reimbursement of U.S. Postal Service stamp purchases, for official *external* mailings. All *external* mail must be stamped and sent via the weekly courier; internal mailings can be sent via an inter-office envelope through the weekly courier. All non-letter packages must be shipped via the store FedEx account.

SHRINK Committee – Used as *Cash Out* for reimbursement of all approved purchases related to the activities of the store Shrink & Safety Committee, under the direction of Loss Prevention.

Store Value Card – Used as *Cash Out* for payment of all *internal use only* Sierra/TJX gift card purchases, excluding Member Morning events, Customer Satisfaction needs, and the Associate of the Quarter program. Stores must complete a Petty Cash transaction for the total value of all gift cards being activated at one time, then complete the purchase of those gift cards on the same register, using cash as the tender type.

Supplies – Used as *Cash Out* for reimbursement of any other DM-approved supply purchases that do not qualify under the other Petty Cash reason categories.

5) **Amount:** Enter the total amount of the reimbursement or payment eligible receipt, purchase or workorder.
  a) You may either combine all receipts or purchases in one Petty Cash transaction or separate each receipt or purchase into individual Petty Cash transactions.

6) **Recipient:** Enter your full name (first and last). For *Cash Out*, this <u>must</u> be the individual that made the purchase with their personal funds.

7) **Comment:** Enter a description for the purchase or payment in the Comment box. Please be as descriptive as possible and include the name of the merchant, for accounting reasons. (example: "Store Holiday Decorations and Snacks – Costco") This field is <u>required</u>.

8) **Override**: Enter the two-letter initials of the approving DM (or designated senior Leader) ONLY if the total Petty Cash transaction is over $50.00.

9) The *Processor* will click the *Complete* button. An approval box will appear. The *Approver* must approve the transaction by entering their AIN and pressing *Login*.

4.   *Petty Cash Reconciliation*

All Petty Cash transactions are logged electronically through the OMS application. When daily register reconciliation is completed, Petty Cash transactions must be reconciled as well.

The **Register Reconciliation Report** is the primary report for store Managers to access up-to-date register transaction information and petty cash details. This report can be found in the Store Reports Manager, under *Sales Cubes>Daily>Register Reconciliation Report*. Store Managers and/or the Manager-on-Duty (MOD) should run this report at the beginning of each day, during Cash Office processing, to review all previous-day transaction types and totals, by register.

Follow these steps to reconcile all Petty Cash transactions.

> 1) Complete the standard register reconciliation process for all other tender types, as documented in the Cash Office Standard Operating Procedure.

> 2) When Petty Cash transactions are found on the reconciliation report, match the values of each transaction with the values printed on any supporting reimbursement documentation and enter those values in the reconciliation spreadsheet.
> > a) Notify your District Manager and District Loss Prevention Manager if any petty cash transaction listed is not recognized, authorized, or there is no supporting documentation found.

> 3) Verify that any DM approval emails and all reimbursement documentation (purchase receipts or paid invoices) are printed, intact and filed with the daily cash office paperwork.