

**Section:** Business and Support  
Operations

**Section Number:** 3.7.8

**Subject:** Financial  
Transactions: Petty  
Cash Fund

**Date of Present Issue:** 11/09/00

**Date of Previous Issues:**  
02/79, 01/85, 12/95, 04/99, 06/00

POLICY:

Petty cash funds are available to departments and on-campus organizations. They may be obtained by written request directed to and approved by the Director of Business Operations. The head of the requesting department or organization is responsible for the fund, which is subject to audit at any time. If responsible parties are negligent in handling the fund, the fund may be withdrawn by the Director of Business Operations.

PROCEDURE

| <u>WHO</u>                      | <u>DOES WHAT</u>  |
|---------------------------------|---|
| Requestor/Fund Holder           | 1. Submits a request for a specific amount of petty cash to the Director of Business Operations on a Local Fund Voucher (blank form is available on the 'O' drive or provided via e-mail). See attachment 1.  |
| Director of Business Operations | 1. Approves or rejects request for petty cash. Forwards approved request to Business Office for processing.   |
| Business Operations             | 1. Assigns vendor number. Updates list of established funds. Creates reimbursement form. Attaches procedure to voucher to be sent to fund holder with check. Prepares check.  |
| Fund Holder                     | 1. Receives check from Business Office, cashes it, and keeps fund in secure place. Reads petty cash procedure. Contacts Business Office if questions.<br><br><u>OPERATIONAL GUIDELINES</u><br><br>a. All local expenditures under \$50 should be paid from petty cash.<br>b. Funds are to be used only to purchase miscellaneous business related supplies or to reimburse individuals for expenses and travel under \$50. Payments to individuals for personal service or labor are not allowed.<br>c. No sales tax allowed. All purchases are non-taxable as they are sales to a government |

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|                     | <p>institution. The buyer will sign an exemption certificate if requested to do so by the vendor.</p> <p>d. No co-mingling of change funds, deposits, or personal funds with petty cash funds is allowed.</p> <p>2. Prepares Petty Cash Reimbursement Voucher cont. (a blank form is available on the 'O' drive or provided via e-mail). See attachment 2. A receipt must be attached for each item listed. The full 10-digit account number must be supplied for each item.</p> |
| Department Head     | <p>1. Reviews and approves the Petty Cash Reimbursement Voucher. An authorized signature is required for each 6-digit account number on the voucher. Therefore, if the department head is not the authorized signer on an individual 6-digit account, the appropriate authorized signer must sign the individual receipt.</p>  |
| Fund Holder         | <p>1. Forwards completed Petty Cash Reimbursement Voucher with receipts attached to Business Office (accounts payable).</p>  |
| Business Operations | <p>1. Accounts payable verifies that the reimbursement voucher complies with the above guidelines and approves.</p> <p>2. Issues check to payee.</p>   |
| Internal Auditor    | <p>1. Performs periodic audit of petty cash funds.</p>   |