
1506 IMPREST BALANCE ACCOUNTS - PETTY CASH

Effective: January 1989
Revised: May 2017
Last Reviewed: May 2017
Resp. Office: Treasurer
Approval: Vice President for Finance and Treasurer

PURPOSE

Petty cash funds are used for expenditures in connection with approved University activities, the amount and significance of which are so small as to preclude requesting disbursement by check. The amount of the fund requested should be limited to minimum operating requirements to prevent theft of the cash.

POLICY

1. The Office of the Treasurer in consultation with the Cashier's Office is responsible for approving and controlling all petty cash funds.
2. The Senior Business Officer of the school/center or assigned designee are responsible for approving and embossing all changes to petty cash funds and establishment of petty cash funds.
3. The individual with appropriate authorization via his/her transaction authorization card is responsible for ensuring that all expenditures from petty cash are in compliance with University petty cash policy.
4. Human Subject fees of \$100.00 or less per subject may be made from the departmental petty cash funds.
5. A custodian can only be responsible for one petty cash fund.
6. The custodian cannot approve and emboss changes to petty cash, establishing of petty cash fund or replenishment of the fund.
7. The custodian is responsible for controlling and safeguarding the fund.
8. Individuals cannot be reimbursed for sales tax.
9. All petty cash expenditures must be supported by a petty cash voucher slip and a receipt. The petty cash voucher slip must be approved by the custodian and signed by the recipient of the cash. The voucher slip and receipt must be submitted along with the request to replenish the fund.

10. Reimbursement of entertainment expenses of \$100.00 or less may be made from the departmental petty cash funds. Any reimbursement regardless of dollar amount which includes alcohol must be submitted to the Travel Office and may not be reimbursed through petty cash.
11. The responsible department must notify and submit the appropriate paperwork to the Office of the Treasurer when there is a change requested to the petty cash fund.
12. The amount of the fund should be limited to the total of two week's expenditures based on regular activity.
13. All petty cash funds must be replenished at least on a monthly basis and original receipts and voucher slips must accompany all reimbursement requests.
14. Petty cash may not be used for the following:
 - a. disbursements in excess of \$100.00
 - b. Travel expenditures, except for local travel (taxi fare, tokens, etc.)
 - c. personnel services, except for certain human subject fees. (See [Payment of Human Subject Fees](#) policy # 2319.1)
 - d. check cashing fund
 - e. personal loans or salary advances
15. Annually, the petty cash fund should be reconciled on a surprise basis by an Administrative Business Officer or designee other than the custodian.
16. The operating and administration of petty cash funds must adhere to the University's [Internal Control Policy](#) number 2701.
17. Custodians must notify Public Safety of stolen cash.
18. Expenses submitted more than two months (60 days) after being incurred will not be reimbursed without supplemental approval and should not be submitted without an explanation of extenuating circumstances. Extenuating circumstances that prevent submission within the 2-month period are expected to be rare. Circumstances that may justify an exception include:
 - Extended personal illness;
 - Death in the family;
 - Unanticipated extended leave of absence; or

Extenuating (or unusual) circumstances must be explained in the expense report, and approval for the expense report must include supplemental approval.
19. The University will impose various degrees of sanctions for careless or blatant misuse of petty cash funds by the custodian. These being: verbal warning; revocation of custodian responsibilities for a specific period of time or permanently; written warning added to the employee's personnel file; termination of employment and possible criminal and/or civil prosecution for suspected serious infraction of University policy and violation of the law (see Human Resource Policy #621 for further details).