

Petty Cash Fund Handling Policy

1) Accept the responsibilities

The department Budget Officer has fiduciary responsibility for their department's petty cash funds and to ensure that the funds are maintained properly. The department Budget Officer may designate who the Petty Cash Custodian will be for their department. The Petty Cash Custodian will be bound by the same responsibilities as the Budget Officer to safeguard and maintain the Petty Cash Fund.

2) Change of Petty Cash Custodian

When a Petty Cash Custodian change is made, the funds must be double-custody counted and verified, using the [Petty Cash Fund Verification Form](#) or [Petty Cash Fund Verification Form - Mailroom](#). This form is to be signed by the prior Petty Cash Custodian (if available), the new Petty Cash Custodian, and their Supervisor or Manager. The original of this form shall be sent to the Business Office contact¹ and a copy of it retained by the applicable department Supervisor or Manager.

Prior arrangements for a temporary Petty Cash Custodian during absences is required. The "Change of Petty Cash Custodian" procedure (as outlined above) is required and the designated temporary Petty Cash Custodian is required to review and sign-off on this policy.

A secondary Petty Cash Custodian may be designated by the department Budget Officer, as long as the "Change of Petty Cash Custodian" procedure (as outlined above) is followed and the designated secondary Petty Cash Custodian reviews and signs off on this policy. Primary responsibility for the safeguard and maintenance of the Petty Cash Fund will remain with the Budget Officer and the Petty Cash Custodian.

Access is not permitted to the Petty Cash Fund by anyone other than the Budget Officer, authorized primary, secondary or temporary Petty Cash Custodian, unless a dual-custody count is being performed by authorized personnel.

3) Keep it safe

At all times, petty cash is to be kept in a locked cash box and stored in a safe place, such as a locked drawer or cabinet, with limited access to the key. The Petty Cash Custodian (or the designated temporary Petty Cash Custodian or secondary Petty Cash Custodian, when applicable) is personally responsible if the Petty Cash Fund is lost. If stolen, report it immediately to your manager, the Budget Officer, CPS and the Business Office contact*.

4) Dispensing Petty Cash Funds

a) Limit: \$50.00 (**no exceptions!**)

b) GL Account Numbers:

- ◆ List the full 13-digit account number (includes the object code) on the receipt or petty cash slip
- ◆ Most object codes (last 4 digits) are usually -72##, -73##, or -2399. ◆ Do not use object codes: -7601 or -7531 or -7555 or -7347

c) Purpose for petty cash expenditure:

- ◆ Documentation must list the purpose for the expenditure (ie: supplies for Hum 101, treats for Clark Hall study review, etc)

d) Meal/food receipts: *****Individuals will NOT be reimbursed for items purchased with Food Stamps**

¹ D
awn Andresen is the Business Office contact for Petty Cash Funds Rev. 1-7-16

- ◆ Meal receipts must state the person(s) in attendance and the purpose of the meal. (ie: lunch with Hum 101 guest lecturer Joe Doe, including Faculty 1 and Faculty 2).
- ◆ Food item receipts used for entertainment must list the names, or group and approx. number. (ie: Clark Hall residents, approx. 80 students; Hum 101-with a class roster attached).

e) Mileage versus Gas:

◆ Cannot reimburse gas but can claim mileage, at the current approved mileage rate, when using their personal vehicle. Mileage reimbursement must state date, destination, purpose and total mileage. *EXCEPTION:* gas may be claimed if it is used in a rental car or if used for small equipment (ie: BBQ, golf cart, etc) or class usage (ie: experiment).

f) Class supplies:

- ◆ List the course section (ie: BIOL 452) and brief description of supplies. g)

Signatures:

- ◆ The Budget Authority must approve a petty cash request for reimbursement.
- ◆ The individual receiving the cash reimbursement must sign for receipt of cash.
- ◆ Individual cannot sign their own petty cash request. If the individual receiving the cash is the Budget Authority, they must have another designated person's signature on the request. Petty cash slips cannot be both received and approved by the same person.
- ◆ The Petty Cash Custodian cannot be the same person who approves the replenishment check request.

h) Review:

- ◆ Specific items that are not to be paid from Petty Cash are:
 - Services (unless approved by A/P, i.e. small equipment repair – lawn mower, vacuum, etc.)
 - Cash awards and/or prizes
 - Expenses funded by an AP advance check ◆ Verify reimbursable amount on receipt.
- ◆ When claiming more than one receipt, **add all receipts to verify total** amount claimed.
- ◆ When there are more than one small receipt, tape them onto a larger piece of paper.
- ◆ Receipt should identify vendor (write on receipt if not identified).
- ◆ **Copies of checks or carbon checks are not receipts.** Original cancelled checks may be considered a receipt, with other supporting documentation (ie: a copy of a registration form).
- ◆ Credit card authorization receipts are not acceptable documentation, except for meal expenses. The detailed vendor receipt is required

i) Other:

- ◆ Use the official Petty Cash slip ([Petty Cash short form](#)). Each slip will be signed by the recipient and approved by the Petty Cash Custodian or Budget Officer. Original receipts must be attached to the petty cash slip for all purchases.
- ◆ **Original receipts** are required. If an individual is only claiming a portion of the receipt and they want to keep the original (ie: warranty purposes or rebate), write on the original receipt “submitted \$xxx for reimbursement to Pacific” date and initial the receipt. Then make a copy. If they want full reimbursement, the original receipt must be submitted. Original credit card statements may only be considered as a receipt with other supporting documentation (ie: a copy of a registration form). If an individual wants the original statement back, identify the amount claimed, write on the original statement “submitted \$xxx for reimbursement to Pacific”, date and initial the statement. Then make a copy.

- ◆ Do not make customer refunds from this fund (ie: ticket, event or patient refunds).
- ◆ Do not use the fund to cash checks. The exception is the Business Office front counter may cash faculty or staff checks up to \$50.00.

5) **Verify the Petty Cash Fund and review your controls on a regular basis**

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Every Budget Officer must know how much money is under his/her supervision. The Petty Cash Fund object code is -1001-. The Petty Cash Custodian must verify their Petty Cash Fund, using the [Petty Cash Fund Verification Form](#) or [Petty Cash Fund Verification Form - Mailroom](#):

Monthly	-if less than \$350
Weekly	-if \$350 -- \$600
Daily	-if above \$600

This form shall be signed by the Petty Cash Custodian, as well as the department Supervisor or Manager and kept on file. Report overages/shortages (>\$5.00) immediately to your Supervisor or Manager. **On the last day of every quarter**, this verification is to be done and a copy sent to the Business Office contact¹.

6) **Replenishing your Petty Cash Fund**

After verifying the Petty Cash Fund, submit the outstanding receipts with a check request, with proper approvals, to Accounts Payable to replenish your fund. Replenishment checks must not exceed the established petty cash allocation and must be substantiated with valid receipts.

Overages >\$5.00

You are required to make a deposit of the excess cash into the 1-XXX-XXXXXX-7507 account.

Shortages >\$5.00

You are required to include the shortage in your replenishment check and expense it to the 1-XXXXXXXX-7507 account.

The Business Office¹ will conduct petty cash fund audits any time during the year.

A fund or cash custodian who does not comply with these responsibilities is subject to disciplinary action up to and including termination and/or criminal charges.

Signature

I hereby acknowledge that I have read and understand the information set forth in Pacific University's Petty Cash Fund Handling Policy and as the designated Petty Cash Custodian, I agree to comply with its requirements in my daily work activities.

Please print

Name: _____ Job Title:

Date: _____

Signature: _____