

PROCEDURE 407.1

Area: Finance

Adopted: September 18, 1998

Revisions Approved:

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**SUBJECT: PETTY CASH FUND
 FACILITIES MANAGEMENT**

The purpose for each fund is to reimburse employees for out-of-pocket expenses incurred in purchasing small dollar value items for the University. The fund will not be used for travel advances.

For optimum internal controls, there should only be one petty cash for the University. However, due to operational requirement, additional funds may be approved by the Controller. The dollar limits for these fund will be set by the Controller and will be properly recorded in the general ledger. Procedures for operating the fund will be in accordance with this policy.

Each petty cash fund will be controlled by and be the responsibility of a custodian. The custodian will sign the Petty Cash Report acknowledging said responsibility.

Employees will only purchase items for the University upon the approval by the appropriate department head and in emergency situations.

Receipts that are presented to the custodian for reimbursement will be signed by the department head, dated, and will have the general ledger accounting information shown. A description of the item(s) purchased will be written on the invoice or receipt if not shown. The custodian will not accept receipts that have not been approved.

The custodian of petty cash will replenish the fund as needed. All receipts will be attached to a Petty Cash Report. All Petty Cash reports will be forwarded to the Controller for approval. The Controller will forward the reports to Accounts Payable for payment.

The custodian of each fund will ensure that the fund is adequately secured at all times. Unannounced petty cash counts will be conducted by the Controller.