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1. Purpose

This policy and its procedures set forth the different types of cash funds that may be established at the University and the guidelines for the establishment of such funds.

2. Policy

a.

- i. If more than one location is used, a separate petty cash fund must be established for each location.
  - ii. The required cash amount is advanced from the Cashier's change funds to establish the petty cash fund. The custodian to whom the petty cash fund is advanced must sign for the advance and will be held accountable for the funds.
  - iii. The established amount of the petty cash fund must always be accounted for in receipted bills or cash and currency. Payments for incidental purchases are made from the petty cash fund, and the original receipted bills for the purchases are placed in the cash box, or other secure container, to support the disbursement of cash.
  - iv. After the available cash and currency is substantially depleted by payment of incidental expenditures, the receipted bills are entered on a direct pay invoice in Banner chargeable to the appropriate FOAP of the department and made payable to the petty cash fund. The issued check is then cashed at the Cashier's Office, and the currency and change is returned by the custodian to the petty cash fund. After the reimbursement, the petty cash fund will be reinstated to the original amount of the advance. Reimbursements to the petty cash fund are to be made on a monthly basis, or more frequently if the petty cash fund is substantially depleted.
  - v. When it is determined that the petty cash fund is greater than necessary, the excess should be returned by the custodian to the Cashier's Office. The original advance will be credited by the Cashier for the amount returned. The custodian must not deposit the excess to a FOAP of the department because this will not give credit on the original advance. The authorized amount of the petty cash fund should approximate one (1) month's normal incidental expenditures. Increases in the petty cash fund may be requested through the University Bursar or University Controller.
- b. Requests to establish permanent change funds must be made through the University Bursar or University Controller using the Request for Permanent Change of Fund
- i. The required cash amount is advanced from the Cashier's change funds to establish the permanent change fund. The custodian to whom the permanent change fund is advanced must sign for the advance and will be held accountable for the funds. If the permanent change fund is allocated to more than one location, the location of each portion of the fund must be noted on the request by the custodian.
  - ii.

