



PETTY CASH POLICY

PURPOSE

The purpose of this policy is to establish authorized uses of petty cash.

STATEMENT OF POLICY

Petty cash can sometimes be used in place of the University purchasing process where appropriate, for example, as reimbursement for small, incidental department expenses when it is infeasible or impractical to use normal purchasing means. Petty cash should be used in this manner only when absolutely necessary. A petty cash fund can also be used as a "change fund" in the department for handling sales, etc., where expenses are not incurred.

Petty Cash Funds not to exceed \$50 (except with special approval of the Finance Office) are permitted for purchases in which cash payment is necessary.

All such reimbursements will be based upon the original invoice. Sales tax cannot be reimbursed, as the University is tax exempt from such tax.

Purchases shall not split or parceled over a period of time to evade the provisions of this section or applicable regulations. Split or parceled expenses are not eligible for reimbursement.

University policy prohibits the use of petty cash for any of the following:

- Travel expense reimbursements
- Travel advances
- Payment for items that are to be purchased through the purchasing system according to the university purchasing policy
- Payments to vendors for invoices submitted directly to the department where a mini-order or purchase order was issued
- Payments to independent contractors, consultants, awards, etc., to non-university employees
- Payments to employees for services, awards, bonuses, etc.
- Payments of a taxable or non-taxable benefit to an individual
- Payments to university service centers (e.g., Bookstore, etc.)
- Sales tax on purchasing
- Personal borrowing

POLICY TYPE: FINANCE