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The Training Post

An Educational
Computer Based Training Program

The background of the slide is a dense, overlapping pattern of various US coins, including pennies, nickels, and quarters, rendered in a light, faded style. In the center, there is a dark gray rectangular box with a thin white border. Inside this box, the words "PETTY CASH" and "FUNDS" are written in a large, bold, yellow serif font, stacked vertically.

PETTY CASH FUNDS

**The University of Texas at Dallas
General Compliance Training**

Petty Cash Fund

The purpose of petty cash funds is to aid in the procurement of supplies and/or services for UTD when it is more feasible to pay cash than issue a purchase order or use a purchasing card.



Petty Cash Fund

The Petty Cash Fund is not a means of bypassing the normal purchasing procedures, and strict adherence to the following conditions will be maintained.

- **Petty Cash Limit:** Usage is intended only for small day-to-day needs. Reimbursement is limited to a maximum of \$50.00 per day per account, unless approved in advance by the Assistant VP for Procurement Management.
- Receipts should be presented in a timely manner, preferably within a month of purchase.



Petty Cash Fund

- Requestors must obtain approval from the authorized fund manager before making a purchase.
- Once the request has been approved, the requestor must use personal cash to make the purchase.
- Before making the “out-of-pocket” purchase, the requestor must obtain a tax exemption certificate. Tax exemption certificates are available from Procurement Management at ext. 2300. Reimbursements on sales tax paid will not be paid unless the purchase was made from an Agency Fund (fund numbers between 990000 and 995000).



Petty Cash Fund

Reimbursement transactions between the petty cash custodian and the requestor must be done in person. No petty cash monies may be sent through University mail by either party.



Petty Cash Fund

Receipts -- All receipts must be:

- A legible original receipt
- Show vendor's name
- Have cash register validation, a “paid” stamp, or a vendor certification paid status.
- When replenishing the petty cash fund, all receipts presented for reimbursement must be countersigned by the authorized account manager. This can be done by signature on the Purchase Voucher to which the receipt(s) are attached.



Petty Cash Fund

- Reimbursement will not be given for receipts which are lost, stolen, destroyed, or “homemade”.
- Vendor approved invoicing showing unit prices and extensions is required. Packing lists will not be accepted for reimbursement.
- Payment of freight charges is allowed.



Petty Cash Fund

Unallowable Use

Reimbursement will not be made for:

- Items available through existing state contracts
- Local sales taxes--tax exemption certificates are available from Procurement Management upon request and must be secured prior to making a purchase with petty cash



Petty Cash Fund

Unallowable Uses

Reimbursement will not be made for:

- Alcoholic beverages
- Gasoline, except those purchases made for research purposes
- Travel expenses
- Postage



Petty Cash Fund

Petty Cash Fund Handling Procedures

- Petty cash funds must be kept in a secure place when not in use, preferably a safe or locking file cabinet.
- When in use funds should be secured in a locking cash bag or a locked box.
- Unlocked petty cash should never be left unattended.
- Petty cash should not be accessible to anyone except the official custodian or an alternate as designated in writing by the Account Manager.
- Petty cash funds cannot be used for financing IOU's, loans, or for cashing personal checks.
- Private funds cannot be commingled with petty cash funds, i.e., you cannot maintain these funds in your personal belongings (purse, wallet, etc.) or personal bank accounts.



Petty Cash Fund

Petty Cash Fund Handling Procedures (cont.)

- Petty Cash Funds must be reconciled at all times.
- Disbursements from petty cash must be supported by documents which include date of payment, price, discount, description of expenditure, signature of person receiving the disbursement, and the account to which the expenditure should be charged.
- Miscellaneous receipts of cash should not be added to petty cash.



Petty Cash Fund

Petty Cash Fund Handling Procedures (cont.)

- Petty cash from which disbursements are made should be reimbursed at reasonable and timely intervals throughout the year, and in any event, at August 31st of each fiscal year.
- Reimbursements should be requested on a local purchase voucher which designates the custodian as payee. Reimbursements of up to \$150.00 may be cashed at the Bursar's Office.



Petty Cash Fund

Petty Cash Fund Handling Procedures (cont.)

- Petty Cash Funds should be accessible for audit by authorized persons at any time during regular business hours. When petty cash is counted by an auditor or other authorized person, the custodian of the fund must remain present.
- To ensure compliance with UTD policies, Internal Audit will conduct **surprise** counts of petty cash times at various times during the year.



Petty Cash Fund

Petty Cash Fund Handling Procedures (cont.)

- The Account Manager who requests a Petty Cash Fund is ultimately responsible for the fund and should notify the Office of Internal Audits and the Office of Finance immediately of any change of custodian or location of the fund.
- Any questions concerning the use of the fund should be directed to the Director of Accounting and Treasury at extension 6231.
- For more information on Petty Cash Fund Procedures see Business Procedure Memorandum No. 27 and 27A at http://www.utdallas.edu/utdgeneral/business/admin_manual/bpm.htm

The background of the slide is a dense, overlapping pattern of US coins, including pennies, nickels, dimes, and quarters, in various orientations and colors (copper, silver, gold).

Test your knowledge!

Following are several questions to test your knowledge of the information presented.

Answer all questions correctly to receive credit for the training.

Question 1

Reimbursement of petty cash is limited to \$75.00 per day and should be accompanied by a receipt.

True

False

Wrong answer, please try again

REVIEW



Question 2

Petty cash cannot be used for the following.

Alcoholic beverages, travel expenses, & postage

Office supplies stocked at Staples

Both of the above

Wrong answer, please try again

REVIEW



Question 3

Petty cash should be kept in a secure place, and should never be left unattended.

True

False

Wrong answer, please try again

REVIEW



Question 4

Petty cash is not really an account and therefore doesn't have to be reconciled.

True

False

Wrong answer, please try again

REVIEW



Question 5

The custodian is ultimately responsible for petty cash funds.

True

False

Wrong answer, please try again

REVIEW



The background of the slide is a dense, overlapping pattern of various US coins, including pennies, nickels, dimes, and quarters, rendered in a light, semi-transparent style.

**Thank you for completing the questions
related to Petty Cash Funds**

**Click on the button below to complete this module
and receive credit for this course.**

[Click Here to Receive Credit for This Course](#)



Congratulations!

**You have completed compliance
training on**

Petty Cash Funds



**The University of Texas at Dallas
Compliance Training**

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