

COLORADO STATE UNIVERSITY-PUEBLO
Financial Procedure Instructions
FPI 6-2

1. **Procedure Title:** Petty Cash Reimbursements
2. **Procedure Purpose and Effect:** To outline procedures to obtain petty cash reimbursements
3. **Application of Procedure:** Due to the decentralized location and handling of a petty cash, certain procedures and safeguards are essential and are prescribed in this instruction. All departments requesting petty cash reimbursement may refer to this procedure.
4. **Exemptions:** A department may be denied a petty cash reimbursement if there is a history of mishandling funds. Office of Financial Management (OFM) also reserves the right to withdraw the fund if it is discovered that the fund is improperly used. Exceptions to parts of the procedural steps below may be granted for unique situations and a request must be submitted to the Office of Financial Management in writing.
5. **Definitions:**
 - A. **Petty Cash Fund:** An approved fund, held by a department which is used for making limited recurring or small emergency purchases of materials and services for the University.
6. **Procedure Statement:**
 - A. **Authorization for purchases from petty cash funds**

Authorization for purchases to be reimbursed from the petty cash fund should be secured from the custodian or other authorized signer prior to making the purchase. Normally, the custodian should be given signature authority for such transactions in accordance with Signature Authorization rules. Prior approval is necessary to ensure that:

 1. The purchase can properly be made from the petty cash fund.
 2. The department authorized the purchase and will reimburse the purchaser.
 3. The purchaser understands the procedures for purchase, receipt documentation requirements, and procedures for reimbursement.
 - B. **Making purchases from petty cash fund**

A petty cash fund may be used to purchase small repetitive or emergency items or services under \$100 as required by a department and with approval by the fund custodian or alternate fund custodian. A petty cash or change fund may NOT be used for the following:

 1. Payroll.
 2. There are two ATM machines available across campus that can be used to obtain cash.
 3. Making cash advances (IOU's).
 4. Purchases over \$100 from outside vendors or from University departments (Internal Orders are encouraged for ALL interdepartmental sales, as this allows a department to avoid the sales tax that is charged to individuals and does not reduce availability of petty cash for external purchases).

5. Refunds to students are processed through the Accounts Receivable unit of OFM. Other refunds are processed through the Accounts Payable unit of OFM. Departments should contact the Director of OFM for exceptions.
6. Sales tax
7. Travel related costs, tips, or fuel.
8. Official functions.

All official functions, fuel, and travel expenses are reimbursed only through procurement services.

After obtaining approval to make the purchase, the purchaser will pay for the goods or services (including appropriate sales tax) and obtain an itemized sales ticket or receipt from the vendor that is marked "Paid." **NOTE:** If purchases are paid with cash, CSU-Pueblo is not exempt from paying sales tax.

C. Petty cash reimbursement procedures

Ideally, a petty cash fund should be reimbursed weekly to reduce the amount of cash necessary in the fund and to record expenditures on University records. However, under no circumstances should reimbursement be made less than once a month.

To reimburse a department for a purchase:

1. Purchaser need to prepare the Petty Cash Reimbursement form.
 - a. An original receipt must be attached to the form. Copies of receipts in lieu of originals will not be accepted.
 - b. The reimbursement form must have a 7 digit account number and 4 digit object code.
 - c. Paid by: must always be signed by whomever purchased the items.
 - d. Approved by: must always be signed by department head or dean. The "approved by" must never be the same signature as the "paid by" or "received by" signature.
 - e. Received by: Must always be signed by the person receiving the cash.
2. The Cashier will ensure that the above documentation clearly identifies the item(s)/ service(s) purchased, the cost, and purpose, and;
3. The Cashier will verify that the purchase was authorized by the department, was a proper purchase from the petty cash fund, and that the material or service was actually received by the department.

7. References and Cross-References: None.

8. Forms and Tools: Petty cash forms booklets are available in the cashier's office.