

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

FISCAL POLICY

SUBJECT: Petty Cash

REFERENCE: N/A

POLICY: The University Student Union (USU) will maintain a \$7,500.00 revolving cash fund for reimbursing or advancing USU employees for small miscellaneous purchases which do not need to go through the normal purchasing cycle. Petty cash up to \$250.00 per request can be requested by any USU employee, Board member or committee member with advance approval from the appropriate department manager. The petty cash requests of department managers must be approved by their immediate supervisor/designee.

The Associate Director, Finance & Business Services/designee will be the designated custodian for this fund and the Cashier's Office will be the only designated area for disbursements.

The Executive Director/designee may approve a petty cash disbursement greater than \$250.00 in order to meet the business needs of the USU if the use of the USU corporate credit card is not practical or if it cannot be used.

*Recommended by the Finance Committee on November 06, 2015
Approved by the University Student Union, Board of Directors on November 16, 2015*

Business Services Petty Cash Procedures

- I. Establishment of a Petty Cash Fund
 - A. The USU will maintain a \$7,500.00 petty cash fund for reimbursing or advancing USU employees or Board members for miscellaneous purchases that are not required to go through the normal purchasing cycle.
 - B. The Associate Director, Finance & Business Services/designee will be the designated custodian for the petty cash fund.
 - C. The Cashier's Office will be the designated area for maintaining this fund.

- II. Request For Petty Cash
 - A. Any USU employee, Board member, or committee member, or volunteer may request petty cash using the Petty Cash Request form.
 - B. Petty cash requests must be approved by the appropriate department manager/designee or management team member. Department managers must have their petty cash requests approved by their immediate supervisor.
 - C. The Executive Director/designee shall authorize all petty cash disbursements for the Associate Director, Finance & Business Services.
 - D. The Associate Director, Finance & Business Services/designee shall authorize all petty cash disbursements for the Accounting Manager and Accounting Supervisor.
 - E. The Associate Vice President for Student Life/designee shall authorize all petty cash disbursements for the Executive Director.
 - F. A request for petty cash cannot exceed \$250.00 (including sales tax) per request on any one receipt from the same individual on the same day unless approved by the Executive Director/designee in order to accommodate the business needs of the USU if the use of corporate credit card is not practical.
 - G. All petty cash requests must have the following information included on the Petty Cash Request form:
 - i. Date of purchase or payment
 - ii. Evidence that a payment was made by submitting supporting documentation and receipts
 - iii. Description of goods or services purchased
 - iv. Quantity
 - v. Amount paid
 - vi. Authorizing signatures
 - H. No one individual can have more than one open petty cash request outstanding at any one time. A new petty cash request will only be allowed if the outstanding petty cash request has been turned into the Cashier's Office with the corresponding supporting documentation and receipts.
 - I. Completed Petty Cash Request forms are taken to the Cashier's Office for disbursement of petty cash.
 - J. The Cashier will review the request for completeness and validity before funding the request. The recipient must sign the form to verify that the funds were received.
 - K. Receipts for purchases are required to be submitted to the Cashier's Office within five (5) business days of the purchase. Receipts for petty cash disbursements made in connection with authorized business trips must be returned within thirty (30) calendar days of returning from the trip.
 - i. Petty cash requestors will be held *personally liable* to reimburse the USU for any petty cash advances not supported by receipts unless approved by the Executive Director/designee due to extenuating circumstances.

- ii. Receipts are not required to support petty cash advances issued for the purpose of providing parking on the CSUN campus for officially recognized guests of the USU.

III. Replenishment of the Petty Cash Fund

- A. A Petty Cash Request form requesting replenishment must be completed. The total amount of the replenishment requested on the form must be supported by the individual petty cash requests along with the supporting documentation and receipts.
- B. The Petty Cash Request form must be authorized by the Associate Director, Finance & Business Services/designee.
- C. The Accounting Manager/designee is responsible for reviewing the Petty Cash Request form for completeness and validity. Once the supporting documentation attached to the Petty Cash Request form has been verified and approved, cash is ordered directly from the bank and delivered to the Cashier's Office via armored courier.

IV. Internal Controls

A. Physical Security

- i. The funds must be kept in the safe located in the Cashier's Office.
- ii. Only designated Business Services staff identified by the Associate Director, Finance & Business Services, will have access to the safe in the Cashier's Office.
- iii. Shortages must be reported immediately to the Associate Director, Finance & Business Services/designee.

B. Reconciliation

- iv. The Cashier will perform a daily cash count of the petty cash fund. The Accounting Manager/designee will perform the reconciliation in the absence of the Cashier.
- v. Signatures and dates on the Petty Cash Reconciliation form will verify that daily counts are being conducted.
- vi. A copy of the reconciliation form must be given to the Accounting Manager/designee daily for review.
- vii. The reconciliation forms must be kept for a minimum of four (4) years for audit purposes.
- viii. The total requests funded plus the cash on hand in the fund must equal the specified amount of the petty cash fund at all times.

C. Internal Audits

- ix. The Accounting Manager/designee will perform an unannounced cash count of the petty cash fund, including a review of the documents on hand.
- x. The audit must be performed quarterly or more frequently if the Associate Director, Finance & Business Services, determines that it is necessary.
- xi. The results of the audit are to be formally documented in a memorandum to the Associate Director, Finance & Business Services.
- xii. Major discrepancies are to be reported immediately to the Associate Director, Finance & Business Services.
- xiii. Documentation is to be kept for a minimum of four (4) years for audit purposes.

V. Approval Authority

- A. Purchases greater than \$250.00 (including sales tax) should be made on the corporate credit card unless an exception is approved by the Executive Director/designee in order to meet the business needs of the Union.

This procedure was revised on November 16, 2015.



Debra L. Hammond
Executive Director

12/2/15

Date