

CU Medicine
Petty Cash

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1. PURPOSE

Petty cash accounts may be established to expedite the handling of routine office business by providing cash funds for small purchases and reimbursements.

2. ESTABLISHING A PETTY CASH FUND

Approval from the CU Medicine CFO, Controller or Senior Finance Manager is required to establish a petty cash fund. To establish the fund, the individual designated to be the petty cash custodian needs to fill out the top half of the [Petty Cash Receipt form](#), sign and date it and send it to CU Medicine Accounts Payable along with a completed [Accounts Payable Voucher](#) made out to the Petty Cash Custodian and signed by an authorized account signer in the department (cannot be the petty cash custodian). A check will be issued to the petty cash custodian to cash and establish the fund. The Petty Cash Receipt form is kept on file in the CU Medicine Finance Dept. This form authorizes the Custodian to handle the funds and names them as the responsible party. If there is a change in custodian, a new Petty Cash Receipt form must be submitted to the CU Medicine Finance Department. Petty Cash funds are not to exceed \$200. Funds should be maintained in a safe place and kept under lock and key.

3. RESTRICTIONS AND CUSTODIAN RESPONSIBILITIES

Check cashing services, IOU substitutions, or the intermingling of petty cash with personal funds is not permitted. Funds may not be used for reimbursement of any salary expenses or non-local travel.

The Custodian is responsible for ensuring that the fund equals the original amount at all times, represented either by cash on hand or petty cash vouchers (see [Exhibit A](#)). The department will be responsible for any loss of funds.

The CU Medicine Finance Department, at its discretion, may audit petty cash funds. Any misuse of funds may result in withdrawal of the fund.

4. PURCHASE GUIDELINES

Each cash disbursement must be supported by an original receipt and a completed petty cash voucher describing the purchase. Indicate the program number to be charged, and insure the voucher contains the signature of the custodian and the recipient of the funds (where applicable).

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Disbursements for meetings or lunches must include a listing of everyone who was in attendance, the specific business purpose of the meeting and the date and place of the meeting.

Disbursements should not exceed \$40 per petty cash voucher. Disbursements are subject to the same purchasing guidelines and restrictions as outlined in the [Accounts Payable Policy](#).

5. **REIMBURSEMENT PROCEDURE**

Replenishment of the petty cash fund is done via an [Accounts Payable Voucher](#) made out to the custodian. The original petty cash vouchers with supporting documentation must be submitted with the Accounts Payable Voucher. The Accounts Payable Voucher should list aggregate totals for each general ledger account charged along with the fund, program account and general descriptions (see [Exhibit B](#)). The Accounts Payable Voucher is then submitted to the Accounts Payable Department for check processing.

EXHIBIT A

UNIVERSITY PHYSICIANS, INC.

PETTY CASH VOUCHER

_____ 19 _____
AMOUNT _____ FOR _____

(purpose)

CHARGE TO _____
(account)
RECEIVED BY _____ APPROVED BY _____
Employee _____ Custodian _____

