USG Business Procedures Manual, Section 2, defines petty cash as:

> *Definite funds established for small purchases, controlled and accounted for as imprest funds, the total composition of which must always equal the amount of the fund. The composition of a Petty Cash Fund usually includes cash, petty cash vouchers representing disbursements from the funds, and checks. Included also in this account would be the various change funds on campus: e.g., Bookstore, Dining Hall, Vending Machines, Change Machines, etc.*

Petty Cash Custodians are required to adhere to the following:

1. General Account management
    a. Document and maintain individual petty cash account policy and procedure.
    b. Ensure that all transactions are acceptable uses.
    c. Document any change in primary custodian assignment by notifying the Bursar and verifying and documenting the petty cash funds in hand at the time of transition.
    d. Keep in a secure location with access limited to only necessary employees (recommend no more than 2 persons other than the primary custodian).
    e. Maintain a log of all cash issued from the account, signed by the receiver at time of receipt.
    f. Routinely count the funds to ensure the balance is correct and funds are not missing, with two people present and document count with signatures of those present. *(Cash plus receipts pending reimbursement should always equal the petty cash imprest amount.)*
        i. Any discrepancy should be recorded to the department's over/short account. *Contact the University Head Cashier or the Bursar for cash over/short assistance if needed*.
        ii. Submit receipts for petty cash fund reimbursement or deposits without delay, no later than two weeks from purchase or sale date.
    g. No commingling of petty cash funds with other office/personal funds.
    h. Subject to surprise audit at any time.
2. Acceptable Uses
    a. Making change as a result of departmental related sales, programs, fines or fees
        i. Maintain a documented cash sales reconciliation process with the point-of-sales reports to account for all sales transactions, assist with the preparation of the deposits, and document discrepancies as well as resolution.
    b. Small dollar value expenditures
        i. Expenditures from a Petty Cash account are subject to State Procurement, Travel and University system regulations. It is the responsibility of the department, fund custodian, and employees making such purchases to be familiar with the regulations regarding such purchases. The same purchasing restrictions apply to the use of petty cash as to the use of purchase orders and the University purchasing card with regards to prohibited commodities.
        ii. Items that should <u>not</u> be purchased using petty cash include:

1. Items covered by State or University Contracts
2. Prohibited items (e.g. Alcohol; see complete list in P-Card Procedures)
3. Entertainment
4. Personal-use items, such as coffee pots, refreshments, invitations, greeting cards, radios, holiday decorations, etc.
5. Cut or potted flowers
6. Employee travel reimbursements (meals, lodging, taxi, airfare)
7. Per diem and fees and other service payments
8. Gifts, awards, prizes, including gift cards
9. Memberships/Subscriptions/Registrations
10. Cell phone or telephone reimbursements
11. Personal check cashing
12. VSU Faculty/Staff expense reimbursement check cashing
13. Loans/Advances
14. Catering (food and beverages may be purchased if in compliance with food policy; see BPM section 19.8; food approval form required)
15. Payment for Personal Services of any kind
16. Rent
17. Sales Tax (tax exemption certificate must be provided to vendor at time of purchase).

iii. Note: Repetitive purchases on the same day from the same vendor totaling more than $250 will be considered a violation of University procedures.

3. Violations
    a. Violations of petty cash policy or procedure may result in non-reimbursement or fund closure.

If you have any questions regarding these procedures, please contact the University Head Cashier or the Bursar at 333-5725.