

Controller's Office Policy on Petty Cash Expenditures	Adopted: 12/13/19
Access: Internal	Position responsible for coordinating compliance: Controller

Policy

Petty Cash Funds are established for the primary purpose of allowing purchases of small amounts to be made with a minimum of inconvenience. **The Petty Cash Fund is not to be used to circumvent the regular purchasing process.** These purchases must follow the same guideline as any purchase obtained through the Purchasing Specialist, including adherence with the Procurement Policy.

It is the responsibility of all employees to know the petty cash restrictions and regulations prior to making a purchase that will be reimbursed from petty cash.

Procedure

The Accounts Payable office will be reviewing petty cash before they are submitted to Student accounts for payment. If it is determined that the petty cash request should be paid via "Request a Payment" through WebAdvisor, the person submitting the request will be notified.

Prompt reimbursement for petty cash expenditures will be enabled by:

- 1. Please review the below list of prohibited purchases.** Any purchase that violates this policy will have to be denied for reimbursement.
- 2. Secure adequate documentation of the purchase.**

The **original itemized** receipt must be provided with your claim for reimbursement. The original receipt should include:

- the date of purchase and vendor name
- a description of the item or service purchased
- total amount paid

If the vendor name is not printed on the receipt, then the vendor must provide their name, phone number and signature on the receipt. **No copies, altered receipts, adding machine tapes, or canceled checks will be accepted as a valid receipt.**

Instead of an original receipt, you may also provide an **invoice that shows full proof of payment** and includes the same information listed above. (Proof of payment may

include a credit card slip, front and back of a canceled check, or statement from the vendor on the invoice/petty cash slip saying cash payment was received).

The items to be reimbursed must be clearly marked.

If you have questions regarding what will be sufficient, please call the Controller's office.

3. Submit the claim properly. Attach the receipt or invoice to the "NU Petty Cash Disbursement Voucher". *A description of the business/academic use of the purchase must be included on the Voucher.*

4. Know your deadlines.

- 1. All petty cash reimbursements are to be submitted to the Student accounts office within 15 days of the purchase.**
- 2. Petty cash requests will be reimbursed once a week on Wednesdays. The request must be submitted to Accounts Payable by the Friday before the following Wednesday in order for reimbursement to be processed.**
- 3. All requests for reimbursement must be submitted before the close of the fiscal year in which they were made. There are no exceptions.**
- 4. Items purchased in May must be submitted by the fiscal year end, May 31. Items purchased in May that are for the next fiscal year will be taken out of the next fiscal year's budget.**

Restrictions

To ensure petty cash is used for the above-stated purpose, the follow restrictions will be enforced by the Controller:

1. A single reimbursement **cannot** exceed \$20.00 per employee, per week.
2. Sales tax may not be reimbursed if purchase could have been made using university established procedures where no sales tax would have been charged.
Niagara University is a not-for-profit and should not be paying taxes.
3. No items covered by current University buying agreements, i.e. office supplies.
4. No splitting of purchases to circumvent dollar limitations, i.e., having the vendor ring the items on two receipts. Please talk to the Purchasing Specialist about using a standing account on a purchase order for your frequent needs.
5. No purchases of any type of food or drink (coffee, donuts, sandwiches, etc.).
Please talk to the Purchasing Specialist about using a standing account on a purchase order for your frequent needs
6. NOTE: Any printed material that promotes or represents the university must be reviewed and pre-approved by the Public Relations Office.

7. No postage; please use services provided by our contracted provider.
8. NOTE: Purchases for office décor cannot be made with Petty Cash funds (pictures, plants, furniture, etc.).
9. No gifts, prizes or awards to employees or students. There are tax implications for these types of purchases. Please call the Controller or HR to explore approved options.
10. No fans or other cooling devices; no space heater. These are restricted by Code and must be coordinated with energy-efficiency efforts (Go Green).
11. No services that require a vendor to perform any work on campus.
12. No purchases of hospitality items (e.g. flowers, name tags, decorations, etc.). Please talk to the Purchasing Specialist about using a standing account on a purchase order for these needs.
13. Petty cash will not be used to reimburse per diem, taxi fees, parking fees, gasoline expenses, or telephone charges.
 - (Exception to parking fees would be if it's simply a parking receipt for a location such as an airport, the university purpose is clearly stated, it is not connected to business related travel that will be claimed on a travel expense statement. Exception to gasoline expenses would be if an employee has rented a car for university business purposes, the refueling costs can be reimbursed via petty cash, as long as the business purpose is clearly stated, the expense is not associated with other business related travel that will be claimed on a travel expense statement, and the receipt for gasoline is under \$20.
15. No membership dues, registration fees, or subscriptions. Please use WebAdvisor, regardless of the price.
16. Small repeat purchases from petty cash should not be used to avoid purchasing procedures where volume and bidding might secure lower prices.
17. No Personal borrowing and check cashing.