



CALIFORNIA STATE UNIVERSITY, LONG BEACH

Subject: Controller's Office - Petty Cash/Change Fund	
Department: Financial Management (Controller's Office)	Reference No.:
Division: Administration & Finance	Issue Date: January 2005
References: State Administrative Manual 8111.1, 8111.2, 8112.1 & 3580	Revision Date: N/A
Web Links: SAM 8111.1 SAM 8111.2 SAM 8112.1 SAM 3580	Expiration Date: N/A

PETTY CASH REIMBURSEMENT FROM CASHIER'S OFFICE

When it is not practical to use the University procurement process a University employee, after proper documentation and approval, may be reimbursed for business-related expenses incurred and paid from the employee's personal funds.

Obtain verbal authorization to make cash purchases from the appropriate Administrator who will approve the Disbursement Voucher. The maximum amount that may be reimbursed from the Petty Cash fund is \$50.00 (fifty dollars) plus sales tax. (Reference: SAM Section 8112)

For tax reporting purposes the following expenses will not be reimbursed from Petty Cash Fund:

- Meals, including overtime meals
- Travel Expenses
- Moving/Relocation Expenses

Steps for Petty Cash Reimbursement:

1. Complete the Petty Cash Disbursement Voucher (Form: Bursar's Web-site / Instructions below)
2. Obtain Administrative Service Manager / Divisional Fiscal Officer authorization prior to making your purchase.
3. Make the purchase as authorized, and obtain either an invoice or receipt from the vendor (original cash register receipt is required)
4. Bring the original, 'Petty Cash Disbursement Voucher' which has the signature approval of the Administrative Service Manager or Divisional Fiscal Officer and original receipt to the Petty Cash Custodian in Cashier's office for reimbursement.
5. The Campus I.D. of the purchaser is required before reimbursement can be made. If an employee is receiving the funds on behalf of the purchaser, a Campus I.D. for each employee are required before reimbursement can be made.

Note: Only the original 'Petty Cash Disbursement Voucher' and original receipt is needed to obtain reimbursement.

The employee must complete the Disbursement Voucher as follows:

1. Department: Purchaser's Department
2. Division: Purchaser's Division
3. Location: Department Building and Room Number
4. Date: Provide Current Date
5. Name of Vendor on Receipt: Indicate the name of vendor where items are to be purchased
6. Description of Items Purchased: Brief description of receipt for item purchased (e.g. stationary, hardware, books, etc.)
7. Sales Tax Charge on Receipt: List the Total Amount of Sales Tax Charged from each receipt
8. Total Amount of Receipt: List Total amount (including sales tax) from each receipt to be reimbursed
9. Mileage Reimbursement: Explain the need or reason for the travel (Example: Year-end Workshop)
10. License Plate Number of Vehicle Driven: Enter license plate number of privately owned vehicle used
11. Total Miles Driven: Enter the number of roundtrip miles traveled using privately owned vehicle
12. Total Travel Cost: Enter total amount incurred for both mileage and parking
13. Total Reimbursement: Combined total of all attached receipts
14. Purchaser's Name: Type or print the name of the person who made the purchase



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PETTY CASH REIMBURSEMENT FROM DEPARTMENTS

For Departments who have their own Petty Cash Fund, the employee can follow the above instructions and bring the original Petty Cash Disbursement Voucher and original receipt to the Departmental Petty Cash Custodian for reimbursement.

SETTING-UP A PETTY CASH FUND OR A CHANGE FUND

The Department Director/Department Head writes a memo or letter of intent to establish a Petty Cash Fund or a Change Fund to the General Accounting Manager. Included on this memo or letter are the amount of the Petty Cash Fund or Change Fund and the purpose for its creation.

The memo or letter will be reviewed to determine whether the purpose is legitimate or not and whether the Amount requested needs authorization from the State of California Department Finance or not (see below). If State approval is necessary the General Accounting Manager will forward the request to them for approval.

If the request is granted, the Department Head or Department Manager must complete a check request indicating the custodian of the fund as the payee (to be exact, the payee should be: Custodian Name, CSULB Petty Cash or CSULB Change Fund) to be submitted to AP. A Custodian Authorization form specifying the amount of the fund and the name of the Custodian and the ASM should be signed by both the Petty Cash/Change Fund Custodian and the ASM for that department with an initial by the Department Head.

If the request is denied, the General Accounting Manager will send to the Department Head a notice describing the reason for denial.

To request an increase to the fund, the same procedure above should be followed. If the increase is granted, a new Custodian Authorization Form needs to be filled out because the amount under his/her custody has changed.

Amounts Authorized

Per SAM 8111.1, A Change Fund in **excess of \$500.00** will be established after approval from the Fiscal systems and Consulting Unit, Department of Finance.

Per SAM 8112.1, Cash Purchase Fund (a.k.a. Petty Cash Fund) **exceeding \$750.00** will be authorized provided The following conditions are met:

- 1.) A fund of lesser amount would require replenishment more than once a month.
- 2.) A safe, vault or money chest adequate to safeguard cash is used.

Petty Cash/Change Fund Surprise Audit

Per SAM 8111.2, a cash count will be conducted based on the size of the fund as follows:

<u>Size of Fund</u>	<u>Frequency of Count</u>
\$200.00 or Less	Annually
\$200.00 to \$500.00	Quarterly
\$501.00 to \$2,500.00	Monthly
Above \$2,500.00	Monthly (unless Dept of Finance requires more frequent count)



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Petty Cash/Change Fund Custodian and Transfer of Fund Custody

The Custodian is personally responsible for the amount advanced from the revolving fund. The Check issued by AP to replenish the fund is made payable to the Custodian and CSULB Petty Cash/Change Fund.

Transfer of fund custody has properly taken place after the following conditions have been performed:

- 1.) A personal audit by the newly assigned custodian of the amount to be transferred is done in the presence of the outgoing custodian.
- 2.) A copy of the receipt containing the signatures of both the outgoing and incoming custodians is delivered to General Accounting Manager.
- 3.) A new Custodian Authorization form signed by both the newly assigned custodian and the Department's ASM stating the amount transferred is submitted to General Accounting Manager.

Purchase Limitation

Employees must obtain verbal authorization to make cash purchases from the appropriate administrator who will approve the Disbursement Voucher.

NOTE: The administrator approving the cash purchase (petty cash) can be any of the following:

- Vice President
- Dean or Division Executive
- Director or Department Head
- Division Fiscal Officer

It should be noted, however, that the appropriate administrator must not be the employee who makes the cash purchase. Amount of cash purchase may not exceed \$50, exclusive of sales tax, per purchase or service (reference: SAM Section 3580).

FORMS: Petty Cash Disbursement Form How to Complete Petty Cash Disbursement Form