



## **Procedures to Open/Replenish/Close a Petty Cash Fund**

### **Open a New Petty Cash Fund**

The procedure of establishing a New Petty Cash fund is to log on to the web site [www.nova.edu/admin/apforms](http://www.nova.edu/admin/apforms) and print out the Petty Cash Questionnaire, Petty Cash Custodian, and the Check Request form. Once you have completed and signed all of these forms, send them to Accounts Payable for approval. Once the Petty Cash Account has been approved or disapproved by Accounts Payable, a copy of the forms with the approval or disapproval will be returned to the department. When creating the check request, make sure to fill in the complete name and home address of the custodian.

On the NSU ID# line, please type “P” along with your eight (8) digit NSU ID # to distinguish Petty Cash from other types of reimbursement payments. This will assist Accounts Payable to identify that this information is either to Open/Replenish/Close a Petty Cash Fund.

### **Replenish Petty Cash Funds**

When disbursing Petty Cash Funds, the recipient should sign the Petty Cash Slip as evidence that he or she received the money. When the recipient returns with the purchase receipt the custodian will attach the receipt to the Petty Cash Slip. The custodian will then code the proper index and account number to the Petty Cash Slip. The new Petty Cash procedure will go into effect June 1<sup>st</sup>, 2003. Improper documentation will be sent back to be corrected by the departments.

**Books of Petty Cash Slips will be provided when first opening a Petty Cash Account from the Accounts Payable Department. It will be the responsibility of the department to replenish its supply.**

When you have used approximately Fifty Percent of your Petty Cash Funds, the custodian should submit the original receipts along with the Petty Cash Expenditure form attached to a Check Request. This way Accounts Payable will replenish the expended funds to the custodian prior to the custodian exhausting his or her remaining funds. Don't forget to make Check Request payable to the custodian's full name and home address. Make sure to use the new NSU ID# along with the letter “P”.

Any Check Request that are \$200 or more must go to the Budget Department for Budget approval before being sent to Accounts Payable.

**At year-end, the custodian is responsible to replenish the funds through Accounts Payable prior to June 30<sup>th</sup>, to ensure all expenses are recorded in the proper accounting year.**

Periodically, review the frequency of the replenishments to determine if the fund amount should be reduced, or if the total fund should be returned to Accounts Payable.

Always, keep a copy of all of your receipts for you department records.

**ALL PETTY CASH CHECKS ARE MAILED TO THE CUSTODIAN'S HOME ADDRESS NO EXCEPTIONS ARE MADE.**

**EVERY CUSTODIAN OF A PETTY CASH FUND SHOULD HAVE A LOCK BOX OR A SAFE TO KEEP THE FUNDS IN. ONLY THE MANAGER AND THE CUSTODIAN SHOULD HAVE THE COMBINATION TO THE SAFE.**

In the case of turnover in any position change the combination on the safe for security measures. Do not leave the keys to the lock box laying around have a secure place for them for ex: a box in the Manager's office where you can keep all keys for the office and limit the users to the box.

### **Receipts**

Petty Cash should be used for allowable purchases under a certain dollar amount of \$50.00. Reimbursements should only be for items that have a business purpose and are supported by adequate receipts.

#### **The following items are acceptable through Petty Cash:**

Small ticket items with a dollar limit up to \$50.00, small office supplies that can't wait for Office Depot to deliver next day, and for certain accounts that have been prior approved by Accounts Payable Mgmt. to pay clients through the Grants, etc...

#### **Note the following that are not allowed through Petty Cash:**

Mileage reimbursements, Lunches, Parties, Employee Incentive Gifts, Telephone bills, and receipts not related to business use, etc...

These expenses if approved by Management should go through Accounts Payable as a Check Request, or Travel Expense Report to reimburse the employee.

### **Change Funds**

Change Funds are handled differently from regular Petty Cash Funds. As a custodian leaves the department, Accounts Payable will accept a Cash Count Sheet to be filled out by the Manager, and the person leaving the position to audit the account. Since the Change funds are never closed out or replenished it is very important that the department

keeps account for the funds in order to service the clients. When the department decides on the next custodian of the Petty Cash Change fund, they will need to submit the following forms. Go to the Accounts Payable Web page, and submit another Petty Cash Custodian form that will need to be filled out by the new Custodian and signed by management along with another audit slip and submit them both to Accounts Payable. This will show Accounts Payable who the new custodian is and that the funds are correct and have changed hands again.

### **Close out of Petty Cash Funds**

Generally this is done when the Custodian is leaving the department, NSU, or the department has determined that the funds are no longer needed. Please submit all original receipts along with a Petty Cash Expenditure Form attached to a Check Request with Management's approval. At the bottom of the Check Request under Description/Purpose please note that you are **CLOSING OUT THE PETTY CASH FUND**. If the amount is over \$200 then you will need to send it to the Budget department for Budget approval, then it will be given to Accounts Payable for the account to be closed. If there is still cash on hand you will need to do one of two things, either attach a personal check for those funds and make the check payable to NSU along with the receipts and the proper forms. Or go to the Bursar's Office and deposit the funds with the University's Cashier directly. **Accounts Payable is not allowed to accept cash.** Then you would attach a copy of the Receipt Transmittal form along with the receipts to the Check Request and repeat the following step above.

**If you have any additional questions please contact the Assistant Accounts Payable Manager or Accounts Payable Manager.**

**[See below for the Cash Count Sheet.](#)**





NOVA SOUTHEASTERN UNIVERSITY

CASH COUNT SHEET

Center/Department: \_\_\_\_\_  
Location: \_\_\_\_\_  
Responsible Custodian: \_\_\_\_\_  
Department Head: \_\_\_\_\_  
Petty Cash Account No.: \_\_\_\_\_

Denominations	# Of Currency	Total
\$0.01		
\$0.05		
\$0.10		
\$0.25		
\$0.50		
\$1		
\$5.		
\$10		
\$20		
\$50		
\$100		
\$Other		
	Total Currency Count	
	+ Total Petty Cash Receipts	
	Total PC Balance	
	Approved PC Fund Amount	
	Over/(Short)	

Comments:

Custodian Signature: \_\_\_\_\_

Department Head Signature: \_\_\_\_\_

Note: Overs/shorts are to be recorded to account 3790.