Section: 40.2.7

Section Title: Fiscal Management

Policy Name: Petty Cash Funds

Formerly Book: 6.1.7

Approval Authority: Senior Vice President for Finance and Treasurer

Responsible Executive: Senior Vice President for Finance and Treasurer

Responsible Office: Office of Finance and Treasurer

Originally Issued: 12/1967


Errors or changes? Contact: Office of Finance and Treasurer at 848-932-4300

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<th>Policy Name:</th>
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<td>Approval Authority:</td>
<td>Executive Vice President – Chief Financial Officer and University Treasurer</td>
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<td>Adopted:</td>
<td>12/1967</td>
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<td>Reviewed:</td>
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<td>Revised:</td>
<td>09/29/2000; 06/2011; 10/05/2011; 07/01/2013; 10/10/2013 (Updated titles); 10/19/2021</td>
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<td>Responsible Office:</td>
<td>Office of the University Controller</td>
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<td>Contact:</td>
<td><a href="mailto:pettycash@finance.rutgers.edu">pettycash@finance.rutgers.edu</a> (848) 445-2029</td>
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1. Policy Statement

All regulations and procedures are subject to amendment.

All policies are subject to amendment. Please refer to the Rutgers University Policy Library website (policies.rutgers.edu) for the official, most recent version.
Petty cash funds may be established for a department to pay for small incidental expenditures required in the routine conduct of the primary work of the department. All expenditures must be appropriate, necessary, and reasonable University business expenses. These expenses must be supported by appropriate documentation and attached in RU Marketplace. These expenses must be supported by appropriate documentation which must be submitted to the Accounts Receivable Petty Cash Administrator in the Division of University Accounting. The department must identify a Petty Cash Custodian within their department to be responsible for the disbursement, recording, and security of these funds. Once there is no longer a need for the fund, these funds must be returned promptly to the Division of University Accounting or the Office of the University Controller.

2. **Reason for Policy**

To ensure the proper use, reporting, and security of University funds.

3. **Who Should Read This Policy**

All Deans, Directors, and Administrative staff.

4. **Related Documents/Resources**

- None
- University Policy 40.2.8: Cash Handling
- University Policy 40.4.1: Travel and Business Expense Policy
- Petty Cash Request Form

5. **Contacts/Definitions**

- Accounts Receivable, Room 300, ASB I, Busch Campus.
- 848-445-2133

- n/a

6. **The Policy**

**40.2.7 PETTY CASH FUNDS**

A. **Policy:** A petty cash fund may be authorized to expedite the primary work of a department. It is to be used to pay relatively small expenses that are appropriate, necessary, and reasonable to conduct University business, such as:

1. freight and delivery charges;
2. office supplies;
3. research and lab supplies;
4. transportation to and from unexpected meetings and conferences;
5. similar miscellaneous items; or
6. incidental meeting expenses; incidental meals.

B. The Petty Cash fund should **not** be used for:

1. the purchase of postage stamps for resale;
2. personal loans or other personal purposes (i.e., no check cashing);
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a. Secure a receipt from the person receiving the payment (such as cash register receipt, invoice, freight bill, etc.). If possible, have the payee sign/initial the document (if other than a machine-issued receipt); or

b. If the payee is unable to furnish you with a separate document, request that the payee confirm the receipt of payment in writing and with a signature. Fill out the “RECEIVED OF PETTY CASH” form, in ink, sign it, and secure the signature of the payee.

E. Reimbursement of the Fund: As the cash balance of the petty cash fund is reduced, the fund can be reimbursed through the appropriate University system. All original receipts supporting the legitimacy and University purpose of the expenditure must be forwarded to the requisition within RU Marketplace - The Division of University Accounting, Accounts Receivable, Room 300, ASB I, Busch Campus.

F. Transfer of Petty Cash Responsibility: All reimbursement requests must contain the name and employee ID of the person responsible for the petty cash funds.

If a transfer of responsibility is warranted, a memo Transfer Request from the business manager should include the signatures of the former custodian, the new custodian, and the Department Head or Authorized Supervisor of the custodian, and the total amounts of cash and receipts transferred to the new custodian. This memo Transfer Request should be forwarded to the Division of University Accounting, Accounts Receivable, Room 300, ASB I, Busch Campus. pettycash@finance.rutgers.edu or Office of the University Controller - University Accounting, 33 Knightsbridge Road, 2nd Floor West, Piscataway, New Jersey 08854.

If a reimbursement check is required in the absence of the petty cash custodian, a memo Transfer Request should be prepared by the Business Manager to make a “temporary” change in the custodianship of the Petty Cash Fund. The “temporary” custodian should confirm the breakdown of the Petty Cash Fund when they accept responsibility. Upon the return of the original custodian, a memo Transfer Request should be prepared to switch the responsibility back to that individual.

G. Confirmation of Fund Balance: On an annual basis, a confirmation of petty cash funds will take place. The Office of the University Controller - University Accounting will send a letter to each custodian asking to confirm the cash/cash receipts on hand. The custodian and Business Manager should sign and return the form to: pettycash@finance.rutgers.edu or The Division of Office of the University Controller - University Accounting, 33 Knightsbridge Road, 2nd Floor West, Piscataway, New Jersey 08854 Accounts Receivable Department, Room 300, ASB I, Busch Campus.

H. Closing out the Fund: When a petty cash fund is no longer needed, contact the Office of the University Controller - University Accounting at pettycash@finance.rutgers.edu or Accounts Receivable, Room 300, ASB I, Busch Campus or Office of the University Controller - University Accounting, 33 Knightsbridge Road, 2nd Floor West, Piscataway, NJ 08854 for specific information.

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instructions on how to close out the fund, based upon the accounting system the petty cash fund was issued from.