Petty Cash Reimbursements
Policies and Procedures

PURPOSE

The purpose of the policy is to establish a method of payment for minor incidental and emergency business expenses. These types of expenses can be issued through the College’s two Petty Cash arrangements. The policy is intended to ensure adherence to IRS requirements for all business expenses including adequate supporting documentation along with the business purpose and to ensure the College accurately records these expenses in the financial accounting system.

TYPES OF PETTY CASH EXPENSES

Petty Cash expenses are expenses that are minor or last minute in nature or expenses that require immediate payment and typically include the following:

1. Local carfare, tolls and parking while on College business
2. Payments to research study participants
3. Emergency supplies for a college function.

Petty cash disbursements are not to be used for payment to regular vendors or for purchases that are required to be processed by the Purchasing Office.

PETTY CASH REIMBURSEMENTS

The following two payment methods are currently available for departmental Petty Cash expenses:

1. Reimbursement through the College's Cashier Window (located at 133 Thompson Hall).
2. Reimbursement through an established and approved Departmental Petty Cash Fund.

A) Petty Cash Reimbursement at Cashier Window

The Cashier Window is open Monday through Friday from 9:30 A.M. to 12:30 P.M. for Petty Cash reimbursements. Reimbursements are limited to **$100** per employee per day. The following is required for reimbursement*:

1. Complete the yellow petty cash request card (can obtain from the Cashier Window) and list the date, amount and business purpose of the incurred expense. An electronic version of the card can be downloaded here: http://devweb.tc.columbia.edu/manager/form/files/535_petty_cash_disb_form.pdf
2. Attach original receipts or invoices.
3. Include the index and account numbers to be charged.
4. The request must be approved by either the Budget Administrator, the Responsible Person or other appropriate designee listed for the index.
5. Present your **current** Teachers College identification card

B) Departmental Petty Cash Fund

Since the majority of the College's offices are centrally located, the College does not typically create a Petty Cash Fund for individual departments. However, individual departmental circumstances may
require a separately maintained account. A Petty Cash Fund may be established for College departments that are required to make regular payments for small and repetitive College-approved expenses usually related to grants, student functions or other non-employee reimbursements. Examples of such expenditures include cab fare for subjects participating in research studies or small stipends paid to the study participants. This fund cannot be used for payment of expenses that should be made using the established purchase order procedures.

**Procedures to Establish a Departmental Petty Cash Fund**

How to Obtain a Petty Cash Fund

1. Requests for department petty cash funds must be approved by the Controller’s Office or the Director of Grants & Contract Accounting, John Hernandez, x3379, Rm 422F-Thompson Hall, if related to grant expenses, and can be made using the yellow petty cash card available at the Cashier Window or downloaded here: [http://devweb.tc.columbia.edu/manager/form/files/535_petty_cash_disb_form.pdf](http://devweb.tc.columbia.edu/manager/form/files/535_petty_cash_disb_form.pdf)

2. A general ledger account must be obtained from the Controller’s Office before providing to the cashier window for funding.

Terms for Using a Petty Cash Fund

Departments with Petty Cash Funds must read and comply with all terms and conditions stated in this document. Any funding that is misplaced or lost will be charged to the department's index. **The department is responsible for the fund’s safe keeping.** The Controller's Office may cancel the Petty Cash Fund at any time due to reimbursement delinquency or careless handling of supporting documentation.

**Surrendering the Fund upon Termination of Need**

The Petty Cash Fund is the property of the College. When a department no longer requires a fund, the department must return the remaining cash to the Controller's Office. The Controller's Office will then deposit the money and complete the paper work necessary to close the account in the General Ledger. If the amount of the fund returned to the Controller's office is short, the shortage will be charged to the department.

**Lost or Stolen Petty Cash Funds**

Lost or stolen funds should be reported immediately to Security and to the Controller's Office.

**Administrative Procedures for Established Departmental Petty Cash Funds**

Departmental Administrative Procedures

Each department must establish, in writing, their own departmental Petty Cash Fund Policy. This policy should clearly state the purpose of the fund and how it is to be used. The policy should also institute basic safeguarding procedures surrounding cash and payments:

1. Petty cash funds must be secured at all times and stored in a locked space
2. Departments should designate and name a Petty Cash Fund Administrator who will be solely responsible for the fund
3. A petty cash slip noting payee name, amount, date, and business purpose must be completed each time funds are disbursed and should be signed by recipient. Any available receipts should be attached to the petty cash slips.

4. The fund administrator must periodically review and count the cash on hand along with the total Petty Cash slips to determine the cumulative amount paid out. The total of the cash on hand and cumulative payments should equal the original amount received when the fund was established. Any discrepancies must be reported to Security and the Controller's Office.

5. The petty cash fund administrator must replenish the fund regularly

**Replenishment Procedures**

1. The Petty Cash Fund Administrator can request a funding replenishment by completing the yellow petty cash request card at the Cashier Window or can download an electronic copy of the form here:
   

   a. The form must be made payable to the Administrator

2. Supporting documentation** must be provided for each petty cash expenditure paid:

   a. The support must be presented in an orderly fashion and must include a summary sheet with the petty cash slips and supporting receipts affixed to 8 ½ x 11 paper

   b. The summary sheet should list the business purpose, index and account numbers for each payment issued from the fund

   c. In all cases, there must be a clear trail from the receipt to the petty cash slips to the summary sheet (consider using an alphabetical or numerical reference for each line item to the related support)

3. Provide the request form, summary and support to the Student Accounts Window for replenishment during the business hours assigned for petty cash transactions noted above.

   ** Note – if your replenishment request represents fund payments to a 3rd party that is sensitive in nature and the supporting documentation falls under certain federal privacy regulations, please indicate this information on the request. You are not required to provide the supporting petty cash slips in these cases. This is typically only applicable to certain payments issued to research study participants.

**OFFICE CONTACTS**

Office of the Controller, (212) 678-3016
Office of Student Accounts, (212) 678-3056

Responsible Office: Student Accounts
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