Petty Cash Reimbursement
Policies and Procedures

PURPOSE

The purpose of the policy is to establish a method of payment for small college-approved expenses relating to college business or activities that require immediate reimbursement through a Petty Cash Fund arrangement. The policy is intended to ensure adherence to IRS requirements for adequate documentation and reporting of the business purpose of the expense, as well as the accurate recording of Petty Cash expenses in the College's accounting system.

Types of Petty Cash Expenses

Petty Cash expenses are costs that are small and repetitive in nature such as, cab fares for research study participants, employee transportation while doing college business or emergency supplies for a college function. Petty cash disbursements are not to be used for payment to regular vendors or for purchases made by the College that are required to be done through the Purchasing Office.

Available Methods for Petty Cash Reimbursements

The following two methods are currently available for individual departments to pay small Petty Cash expenses:

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

Petty Cash Reimbursement at Cashier Window

The Cashier Window is available to make Petty Cash disbursements of up to $100 per employee per day from 9:30 A.M. to 3:30 P.M. on Tuesday’s, Wednesday’s and Thursday’s. College departments that wish to use this service must complete the following:

1. A yellow Petty Cash Disbursement card is completed listing the date, amount and business purpose of the incurred expense. These cards can be obtained at the cashier window located at 133 Thompson Hall, in the Business Services Office, or online at: http://devweb.tc.columbia.edu/manager/form/files/535_petty_cash_disb_form.pdf
2. Original receipts or invoices must be attached to the card.
3. Include the index and account numbers to be charged.
4. The Petty Cash Disbursement card must be signed by the Budget Administrator or the Responsible Person within the department listed for the submitted index.

Upon presentation of all listed above, the individual collecting the money must present their current Teachers College ID. The cashier will then issue cash for the amount requested.
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.

An individual Departmental Petty Cash Fund may be established for College departments that need to make payments for small and repetitive College-approved expenses usually related to grants or other non-employee reimbursements. Examples of such expenditures include cab fare for subjects participating in research studies or small stipends paid to research study participants.

The following Departmental Petty Cash policy is intended to give information on what departments are eligible for such a fund, how to apply for this fund, when to use the fund and what procedures must be completed in order to replenish the fund.

PROCEDURE TO ESTABLISH DEPARTMENTAL PETTY CASH FUND

How to Obtain a Petty Cash Fund

Requests for department petty cash funds must be approved by the Controller's Office. If the fund is related to a grant expenditure, it must be approved by the Director of Grants and Contracts Accounting, John Hernandez. After review, the Controller (or Director of Grants and Contracts Accounting) will sign the requests and a General Ledger account will be assigned for the new Fund. The Controller's Office will notify the department that the fund can be opened and the Petty Cash Disbursement request can be taken to the Cashier window at the Bursar's Office to receive the money for the fund.

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 do the necessary paper work 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 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 the following basic minimum safeguarding procedures:

- Petty cash money must be locked and stored in a secure place at all times.
- A Petty Cash Administrator who is solely responsible for the fund must be named and given the keys to the box.
- A petty cash disbursement form noting payee name, amount, date, and purpose must be completed each time funds are disbursed. Any available receipts should be attached to the Petty Cash slips.
- The people responsible for receiving money from the fund must sign all Petty Cash cards.
- Periodically, the Fund Administrator must add the amount of money left in the box and the amount of money given out as noted on the Petty Cash slips. The total should equal the original amount for which the fund was established. Any discrepancies must be reported to Security and the Controller's Office.
- The fund administrator must replenish the fund regularly.

Replenishment Procedures

Petty Cash expenditures must be supported by documentation attached to a completed yellow petty cash card. The Approver on the yellow petty cash card must be the Petty Cash Fund Administrator named in the Departmental Petty Cash Policy. The documentation for the yellow petty cash card should be presented in an orderly fashion and must include a Petty Cash Summary Sheet of one or more sheets of standard 8-1/2" x 11" paper with any receipts affixed to it. This summary must list payees, explanations of the expense incurred and index and account numbers that should be charged for these outlays of cash. In all cases, there must be a clear trail from the attached Petty Cash Card amounts to the paper summary. This summary and Petty Cash Card should be brought to the Bursar’s Office Cashier window at 133 Thompson Hall for replenishment during the regular hours assigned for petty cash transactions.

PETTY CASH FORMS

Departmental Petty Cash Application Form

Form needed to apply for a new Petty cash Fund. Available in the Controller's Office.

Petty Cash Reimbursement Summary

Summarize cash disbursement expenses made from the Petty Cash Fund box. This can be created using an Excel spreadsheet. The Summary should be attached to a Petty Cash Card for replenishment of the fund.
**Yellow Petty Cash Disbursement Request Card**

The card is currently in use to request reimbursements at cashier window.

**NOTE:**  
If your replenishment requests represents fund payments to a 3rd party that is sensitive in nature and the supporting documentation falls under federal privacy regulations, please indicate this information on your Petty Cash Fund request. This is typically only applicable to payments issued to research study participants.

**CONTACTS**

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<th>SUBJECT</th>
<th>CONTACT</th>
<th>TELEPHONE</th>
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<tbody>
<tr>
<td>Application Forms</td>
<td>Office of the Controller</td>
<td>(212) 678-3016</td>
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<tr>
<td>Petty Cash Request/Cashier Window</td>
<td>Office of the Bursar</td>
<td>(212) 678-3862</td>
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