



YESHIVA UNIVERSITY

Department of Finance

Petty Cash Policy

Financial Policy

Policy Sections

- Policy Statement
- Reason for Policy
- Who Should Know This Policy
- Related Information
- Contacts
- History
- Definitions
- Responsibilities
- Procedures
- Appendices

Effective: January 23, 2009

Responsible University Officer
Vice President of Business Affairs/CFO

Responsible Office
Finance

Policy Statement:

The University recognizes the need for petty cash funds to exist to fund small expenditures, payment of which through the University Accounts Payable Department would be inefficient or not cost-effective. Such funds however, must be properly authorized and safeguarded, and all disbursement from those funds must be properly accounted for and documented.

Reason for Policy:

To provide the University with a standardized means to properly safeguarded, controlled, documented and accounted for Petty Cash Funds.

Who Should Know This Policy: Appropriate Accounting personnel and any Unit wishing to open or maintain a petty cash fund.

- President
- Senior Administration
- Dean, Director, Department Head
- Faculty
- Finance Personnel
- Human Resources Personnel
- Information Technology Personnel
- Sponsored Projects Personnel
- All Employees
- Students
- Affiliated Groups



YESHIVA UNIVERSITY

Department of Finance

Petty Cash Policy

(NB: To place and 'X' into the box, double click in the box and click on 'checked' in the window that opens and then, OK).

Related Information: N/A

Contacts:

Subject	Contact	Telephone	Fax/Internet
Policy Questions	Associate Director of Finance	212 960 5470	spolansk@yu.edu
Petty Cash Questions	Cash Manager	212 960 5472	orourke@yu.edu
Reimbursement of Petty Cash Fund	A/P Supervisor	212 960 5473	hgarcia@yu.edu

History:

At the time of implementation of this Policy, many petty cash funds exist throughout the University which are not managed on a consistent basis. A Policy is being issued to ensure uniformity in the establishment and management of all Petty Cash Funds.

Definitions:

University is all Yeshiva University Manhattan Campuses locations and related parties, including AECOM.

Unit is a University entity maintaining, or wishing to maintain, a petty cash fund.

Associate Director of Finance is the head of the University's Manhattan Campus Accounting Department, residing at the University's Wilf Campus, reporting to the University's Chief Financial Officer.

Department Head is the highest ranking University employee responsible for the operation of the Unit maintaining, or wishing to maintain, a petty cash fund.

Petty Cash Fund is a cash fund, usually a minimal amount, which is maintained by a University Unit to fund/reimburse small University expenditures of individuals connected that Unit.



YESHIVA UNIVERSITY

Department of Finance

Petty Cash Policy

Responsibilities:

Approving Petty Cash Funds – Department Head, Associate Director of Finance

Safeguarding petty cash funds, disbursing funds, collecting receipts for expenditures, requesting replenishment of funds – Petty Cash Custodian

Reviewing, reconciling and performing surprise counts – Petty Cash Administrator

Replenishing Funds – Accounts Payable Department

Procedures:

Establishing a Petty Cash Fund

Each petty cash fund is in the sole custody of the custodian who is responsible to the University for its safekeeping. Therefore, creation of all petty cash funds must go through the Department of Finance. It is never permissible for a department to create a petty cash fund by withholding funds from a deposit.

A petty cash fund is established by filling out a “New Chart of Account Request form” indicating the name of the fund requested, the amount of the fund requested, reason why the fund is required, and who will be the custodian of the fund. The form must be approved by the Department Head of the unit requesting the petty cash fund and should then be forwarded to the Associate Director of Finance of the University’s Manhattan Campuses Accounting Department for ultimate approval. Upon approval a general ledger account should be established and a check in the amount of the fund, made payable to the custodian of the account, should be drawn. Upon receipt of physical cash, the responsible person acknowledges receipt of the funds and assumes full responsibility for the funds by signing an Imprest Fund Receipt and Agreement form (**Attachment I**).

The proper manner of maintaining such a fund is on the imprest basis, which means that the amount of the fund will remain constant and that the custodian will be reimbursed for amounts paid out of the fund upon presentation and surrender of satisfactory evidence of such disbursements to the YU Accounting Department. The general ledger should be updated on a monthly basis to monitor and report changes in petty cash fund levels.

The Cash Manager, or designee, establishes petty cash funds where there is a frequent need for payments of relatively small amounts (not to exceed \$25 in cash), or to provide for emergency situations such as local travel (not to exceed \$25 in cash), payments through normal accounting channels would result in delay, or excessive expense. Petty



YESHIVA UNIVERSITY

Department of Finance

Petty Cash Policy

cash funds (cash or check) are not to be used for any expenses that require IRS reporting such as 1099 payments, salary expenses, etc.

Petty Cash funds can also be established for the sole purpose of making change where there is a regular need to make change. These funds are not to be used for any purpose other than to make change.

Petty Cash Custodian

The Petty Cash Custodian is responsible for the safekeeping, disbursing and reconciliation of the petty cash fund. Access to the fund must be limited to the Petty Cash Custodian. Replenishment checks will only be issued to the custodian.

Changing the Petty Cash Custodian

Before changing the Petty Cash Custodian, the current custodian, or his/her supervisor, must count and reconcile the fund. The new custodian must then complete a Petty Cash Fund form, acknowledging receipt of the fund and the accompanying responsibility for the fund, and send this form to the Cash Manager who will then record the name of the new custodian of the fund.

Petty Cash Administrator

The Petty Cash Administrator is responsible for properly monitoring the handling of the Petty Cash by the custodian. The Administrator must review and reconcile Petty Cash quarterly.

Use of the Petty Cash Fund

Petty cash funds are to be used by staff, faculty or authorized students for qualifying, small dollar expenses or reimbursements. Typically these amounts will not exceed \$25 per transaction. Reimbursements cannot be made for vendor invoices, employee advances, casual labor, computer equipment, fixed assets, personal items, memberships, subscriptions, dues, furniture or equipment, payments for personal services, or travel advances. They also cannot be used to cash personal checks or as loans.

Administering a Petty Cash Fund

Requests for disbursements out of petty cash are made by completing a Petty Cash Voucher form (**Attachment II**). Explanations on how to complete these forms can be found in **Attachment III**. Requests for petty cash reimbursement must include original



YESHIVA UNIVERSITY

Department of Finance

Petty Cash Policy

receipts and be submitted in a timely fashion, not to exceed 90 days from the receipt date. Employees should make requests within the same fiscal year as the expense.

Departments with petty cash funds must designate a Petty Cash Custodian and keep petty cash funds separate from all other funds. The petty cash funds should be kept in a locked cash box or safe and be maintained in a secure area, with keys not stored in proximity of cash box or safe.

The Petty Cash Custodian should record all petty cash disbursements and collect receipts for those disbursements.

The Petty Cash Custodian should reconcile the petty cash fund both monthly and whenever the fund is replenished.

Fund Replenishment

Each petty cash fund is replenished by submission of an Accounts Payable Transmittal (**Attachment IV**). Original receipts must be submitted to the University Accounts Payable Department whenever a request for fund replenishment is made. This request must be reviewed by the Department Head before the submission. The Accounts Payable Department will replenish the fund by issuing a check made payable to the Petty Cash Custodian, in accordance with the Accounts Payable schedule of check runs. The Accounts Payable Department will ensure that the proper accounting entries are made with respect to the petty cash disbursements. Any petty cash fund overages or underages must be immediately reported to the Department Head for approval of the fund adjustment. All petty cash funds need to be replenished at fiscal year end.

Petty cash funds are subject to audit at any time by the University Internal Audit Department.

Imprest Fund Receipt and Agreement
Yeshiva University
500 West 185th Street
New York, NY 10033

I received the amount of \$_____ from the Yeshiva University
Department of Finance for imprest purposes.

These funds will be used for the sole purpose of expenditures for the Yeshiva
University.

I hereby agree to assume full responsibility for the above funds, and take the
appropriate measures to properly safeguard the funds from theft and misappropriation.

I acknowledge the right of the Cash Manager or a duly authorized representative
to audit this account at any time.

I agree to account for these funds and return any balances to the Department of
Finance of Yeshiva University upon termination of my employment or upon demand by
the University.

Date

Signature



YESHIVA UNIVERSITY

PETTY CASH VOUCHER

Petty Cash Account number _____

Voucher number _____

Total Amount \$ _____

Employee's name _____

Department and budget to be charged _____

University Funds Grant or Affiliation Contract Funds, specify Grant or Contract no. _____

Approved by Dean, or Division Administrator _____

Date _____

Explanation of Expenditure	Expense Classification	Amount
1.		\$
2.		\$
3.		\$
4.		\$
5.		\$
6.		\$
7.		\$
8.		\$
9.		\$
10.		\$
11.		\$
12.		\$
Payment Received by: _____	Date: _____	Total Amount \$ _____

Signature of Petty Cash Fund Custodian _____

DO NOT LIST EXPENDITURES FROM GRANT OR CONTRACT FUNDS ON THE SAME VOUCHER AS EXPENDITURES FROM UNIVERSITY FUNDS. USE SEPARATE VOUCHERS.

ALL RECEIPTS, BILLS AND OTHER DOCUMENTATION MUST BE ATTACHED TO THIS VOUCHER. EXTENUATING CIRCUMSTANCES OR JUSTIFICATION FOR EXPENDITURE SHOULD BE DETAILED ON REVERSE SIDE OF VOUCHER.

INSTRUCTIONS FOR COMPLETING PETTY CASH VOUCHER FORM

PURPOSE

The Petty Cash Voucher Form is used to authorize and acknowledge disbursement and receipt of petty cash. It can be used as authorization to make small purchases up to \$25.00.

PROCESSING AND REIMBURSEMENT

Individuals may purchase items after requesting and receiving departmental approval for small purchases. A copy of the form may be retained by the vendor as proof of tax exemption.

For small purchases, the purchaser will pay for the item and be reimbursed from petty cash by their department, upon presentation of this form properly completed, approved, and accompanied by the original paid invoice. The person requesting reimbursement shall sign as the payee signifying that the invoice(s) submitted is for authorized university business and that the individual is entitled to reimbursement. The individual receiving the cash on behalf of the payee shall sign, date and indicate the amount received on the Petty Cash Voucher form. The department approval shall be an authorized employee who is not the payee. The originating department or purchaser should retain a copy of the form.

The Petty Cash fund custodian will approve all disbursements of petty cash.

