Use and Operation

Use

- Departments may establish a petty cash fund when they can demonstrate that a continuing cash advance should be kept on hand to permit the purchase of low-value supplies and services that cannot be purchased under the Low-Value purchasing procedures.

**Note:** If funds are being used to pay human subjects, there must be a current IRB Approval Notice and the Human Consent form. Please be sure the principal investigator (PI) on the project has given you the most current approved notice and that the time frame of the petty cash falls within the time frame of the approved IRB.

Requirements

1. All reimbursements from petty cash funds to individuals who have made purchases for the department are to be evidenced by a properly executed receipt. The receipt must be legible, dated, contain the name of the vendor, and have positive evidence that a payment was made (i.e. cash register receipt or handwritten receipt on which the word “paid” appears). The amount paid, a description of the goods purchased, and a signature indicating receipt of material or service must appear on the receipt.

2. Only items purchased with cash can be reimbursed with the petty cash funds. (Employees can be reimbursed through PAC/BruinBuy for Check, Debit and Credit Card purchases).

3. Disbursements from the petty cash fund are to be made only for those items permitted under the terms of a Low Value Purchase.

Disbursements specifically **EXCLUDED** are:

- a. Payment of salaries and wages
- b. Payments for services
- c. Travel, including any separate payments for mileage and gasoline *
- d. Entertainment
- e. Memberships
- f. Equipment
- g. Purchase of stamps
- h. Food (i.e. meals, beverages and snacks)
- i. Money Orders
- j. Parking fees are **only** allowable for subjects who park at ucla parking lot.

* Campus lots parking fees, for UCLA employees, are not reimbursable. Due to income tax and labor issues, employees of the University may not be reimbursed for parking in campus lots.
4. The reimbursed receipts are to be accumulated and retained with the fund for subsequent reimbursement of the petty cash fund. All funds must be maintained on university premises and secured in a manner consistent with BUS-49 guidelines.

5. The fund custodian may not make any disbursements without first being presented with a receipt or an approved reimbursement voucher documenting the expenditure.

   a. Receipts or approved reimbursement vouchers are appropriately annotated to prevent their reuse.
   b. Personal checks and IOU’s may not be accepted as valid receipts.
   c. Any person receiving cash must sign an approved reimbursement voucher or receipt

6. Reimbursements to the petty cash fund are to be made only to the authorized account/cc/fund.

**Relief from Responsibility** (closure of the petty cash fund)

1. **Transfer of the fund by the official custodian to a successor is prohibited.** Due to the departure or reassignment of the custodian the fund must be closed and a request will need to be submitted requesting establishment of a new petty cash fund for the new custodian. Departments should plan ahead and allow two weeks to obtain the new petty cash fund to ensure that they will not be left without a petty cash fund when current petty cash fund is closed.

2. When a fund expires, the petty cash fund should be closed immediately.

3. If the fund expiration date is extended, please forward an email or memorandum, stating the extension date, to Pat Romero at: promero@finance.ucla.edu or Wilshire Center, 5th Floor, MC 143348

3. If the need for the petty cash funds ceases, the fund **must** be closed.

4. If a petty cash fund has been inactive within 3 months of establishment. It is to be closed by the fund manager when notice has been sent by General Accounting.

➢ **To close a Petty Cash Fund**, the custodian must first count cash and receipts in hand and then record the information on the “Reconciliation of Petty Cash Fund” form. The custodian will return the remaining cash to a major cashiering station using a Department Deposit Record Form. Deposit the funds to petty cash account 4-110200 referencing the petty cash number (format ref # as p00xxx, the xxx being the petty cash number). Mail the receipts, the Reconciliation of Petty Cash Fund Closure form, and a copy of the deposit record to Doug Willis, General Accounting, Wilshire Center 5th Floor, MC 143348. Please be sure to keep a copy for you records. Mr. Willis may be reached at extension 48738.
**Temporary Transfer of Custody**

Temporary transfer of custody of Petty Cash Funds is allowable upon completion of request form and approval. Send original form to the address stated on the form, it will be approved and returned. When the official custodian returns, mail the original form with custodians return signature back to the address on the form.

**In the Event of Theft**

1. The department should notify Campus Police immediately.

2. A letter from the department head requesting reimbursement of the fund must be sent to General Accounting including the following information:
   - Name of custodian
   - Petty cash fund number
   - Amount of theft
   - Date and hour of theft
   - Circumstances involved
   - The file number assigned by Campus Police
   - Actions taken to prevent future occurrences

3. A *Check Request* must be submitted, along with a letter, indicating petty cash fund number, name of custodian, and proper departmental account to be charged.

**Petty Cash Forms**

The following forms are included:

- Petty Cash Establishment/Increase Request
- Petty Cash Replenishment Request
- Reconciliation of Petty Cash Fund
- Temporary Transfer of Custody of Petty Cash Fund
- Reconciliation of Petty Cash Fund Closure
- Reconciliation of Petty Cash Fund Reduction
References

   http://www.ucop.edu/ucophome/policies/bfb/

2. Accounting Manual, Cash and Banking Operation, C-173
   http://www.ucop.edu/ucophome/policies/acctman/

3. Instructions and Forms are available at:
   http://www.accounting.ucla.edu/ or type in “Petty Cash” in portal search