

PETTY CASH POLICIES AND PROCEDURES

Purpose: Procedures for the handling of petty cash are designed to provide accountability for moneys received in accordance with generally accepted standards of internal controls.

References: MAPP 05.01.01 SAM 03.A.07

General Statement: The Petty Cash fund was established with the goal of minimizing the issuance of checks for certain minor expense items. All employees of the Hilton Hotel Restaurant Management College are responsible for complying with the University's policies and procedures. Failure to adhere to these policies and procedures may result in disciplinary action being taken against the employee.

All employees have an obligation to report any suspected theft, fraud, embezzlement or any other irregularity causing a loss of cash. Employees who are aware of criminal activity and fail to report such may be subject to disciplinary action. Employees are required to cooperate with any police or audit investigation and may be requested to keep their knowledge of the investigation confidential.

Policy Provisions:

The UH/Hilton Petty cash fund was designed to facilitate the hotel operations. Petty Cash reimbursements should be for amounts under \$50.00. Receipts for the same activity exceeding \$50 cannot be split among receipts to circumvent the \$50 limitation. Reimbursements greater than \$50 will be processed through Accounts Payable.

A properly completed "Voucher Request Form for Disbursement of Petty Cash" Exhibit B-SAM 03.A.07 and acceptable supporting documentation is required for cash reimbursement.

Proper documentation for reimbursement can consist of the following:

- Original numbered receipt with company name and address imprinted, which includes an itemized listing or description of the times purchased.
- Cash register tape that has the company's name and date of purchase at the top of the tape and items are circled and described by the individual seeking reimbursement.

GENERAL POLICY: It is the policy of the UH Hilton College that requests for petty cash disbursements will only be processed for payment if they meet the following criteria:

1. Required form is fully completed
2. Supporting documentation is provided.
3. Purchase is under \$50.00 (unless reimbursement is for the replenishment of the departmental petty cash fund.)
4. reimbursements only for cash transactions
5. Transaction occurred within 30 days of the petty cash request.

Process:

Use Petty Cash for:

Out-of-Pocket expense reimbursement for Local/Regional Transportation expense

Non-routine Office Supplies

Miscellaneous Decorations

Miscellaneous food items

HRM UH/Hilton Hotel Restaurant Management College

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Do not use Petty cash for:

Travel expenses

Consulting or professional services

Awards

Contracts

Steps to take for Petty Cash Reimbursement

- A reimbursement form from petty cash requires the submission of a petty cash voucher from the Business Office. The date of reimbursement, cost center name and number, employee name, dollar amount of the reimbursement, and authorized approval from the dean and the CBA/DBA must also sign/approve the reimbursement form. Submit the approved form to the Cash Control Accountant to obtain monetary reimbursement.

Fund Restrictions

- Petty cash funds are to be maintained on an imprest basis, which means the amount of the fund remains constant. Currency and coin plus petty cash receipts in the fund should always equal the authorized amount of the fund.
- This fund belongs to the University of Houston and should be kept on University property at all times. As such, the fund can be subject to surprise count by the Auditing Department, Accounting Services, Bursar's Office and the University's external auditors during normal business hours.
- Department supervisors should periodically perform surprise counts.
- **No money may be loaned or borrowed from the fund for personal use.**
- **The fund may not be used to cash personal checks.**
- Mishandling of funds may result in dismissal and/or prosecution of involved employees and/or relinquishment of the fund by the department.

Custodial Responsibilities

1. Safe and secure storage
2. Petty Cash fund will be kept separate from all other funds
3. Ensure that each transaction is for the established purpose
4. Provide proper documentation to support each expenditure
5. Balance the fund each time a disbursement is made or a minimum of once a month
6. Report non-balance of the fund to the chief financial officer of designee in a timely manner
7. Report theft from the fund to the chief financial officer and the university police department