



POLICY ON PETTY CASH

Dated: March 24, 2020

Supersedes: CO.304 – *Petty Cash – Cash Management* dated September 28, 2000

I. PURPOSE

To establish guidelines for establishing and maintaining a departmental petty cash fund and for the reimbursement of petty cash expenditures.

II. SCOPE

This policy applies to all College faculty and staff employees.

III. DEFINITION

- A. *Hard dollar expenditures* - All expenditures other than soft dollar expenses.
- B. *Soft dollar expenditures* - Expenditures related to affiliations, grants, faculty practice plans, designated purpose funds or other restricted or endowment funds.

IV. POLICY

It is the policy of New York Medical College to maintain petty cash funds for the payment of expenses not to exceed One Hundred Dollars (\$100.00.)

V. PROCEDURE

- A. Establishing a Petty Cash Fund
 - 1. The primary petty cash fund is maintained in the Cashier's Office in the Skyline Building.
 - 2. Supplementary petty cash funds may be established with approval of the Vice President and Chief Financial Officer and the Controller. Such funds are appropriate when there is a pattern of expenditures that justifies handling reimbursements at a department level rather than via customary accounts payable procedures and processes. A written request on College letterhead must be submitted to the Controller stating:

- a. The name of the petty cash custodian
- b. The name of the alternative petty cash custodian
- c. Dollar amount
- d. Reason petty cash is needed (\$500 is the maximum amount to be requested)
- e. The request must be signed by both the petty cash custodian and the Department Head/Chair

B. Safeguarding Cash

It is the responsibility of the petty cash custodian to ensure funds are properly safeguarded. The funds must be kept in a locked drawer at all times. All petty cash funds are to be kept on premise.

C. Petty Cash Reimbursement Forms

1. **Petty Cash Voucher** – To be used for petty cash reimbursement of all acceptable expenditures except for auto mileage, related tolls and parking expense. See **Exhibit A** attached hereto.
2. **Travel Mileage Reimbursement Form** – To be used for reimbursement of auto mileage, related tolls and parking expense. See **Exhibit B** attached hereto.

D. Reimbursement for Expenses Incurred

1. Reimbursement directly from the College Cashier
 - a. The Petty Cash Voucher or Travel Mileage Reimbursement Form shall be completed by the employee, properly approved by the Department Chair/Head and submitted for verification of signatures and availability of funds to the Budget Department (hard dollar expenditures) or Restricted Funds Department (soft dollar expenditures).
 - b. Original receipts must be attached to the voucher to support the reimbursement. As the College is tax exempt, it is preferred for individuals to purchase items through the College, rather than purchase items themselves. In an emergency, employees should get the tax exempt identification number from the Purchasing Department.
 - c. The Cashier will reimburse the employee for expenditures not to exceed \$100.00. Multiple vouchers submitted to circumvent the \$100.00 limit will be rejected.
 - d. The employee must sign the voucher in the presence of the Cashier upon receiving the cash.

- e. Reimbursement requests must be submitted no later than 90 days from the date the expense was incurred.

2. Reimbursement from a departmental petty cash fund

- a. The **Petty Cash Voucher** or **Travel Mileage Reimbursement Form** shall be completed by the employee and approved by the Department Head/Chair.
- b. Original receipts must be attached to the voucher to support the reimbursement.
- c. Each voucher must contain an adequate description of the expenditures.
- d. The petty cash custodian will reimburse the employee for expenditures not to exceed \$100.00. The \$100 limit applies in two cases:
 - i. No individual invoice for an amount greater than \$100 will be reimbursed through Petty Cash.
 - ii. If a person has several items that total more than \$100, no reimbursements for the total will be made from Petty Cash. It is inappropriate, in this case, for the Petty Cash custodian to pay out several reimbursements to the same individual to avoid the \$100 rule.
- e. The employee shall sign the voucher in the presence of the petty cash custodian upon being reimbursed.
- f. Reimbursement requests must be submitted no later than 90 days from the date the expense was incurred.

E. Replenishment of the Petty Cash Fund

1. Requests for replenishment of a petty cash fund must happen at least every 60 days, or when the fund is approximately 50 percent exhausted, whichever is sooner.
2. The **Petty Cash Reimbursement Request Form** shall be completed by the custodian and signed by the Department Head/Chair and submitted for verification of signatures and availability of funds to: the Budget Department (hard dollar expenditures) or Restricted Funds Department (soft dollar expenditures). See **Exhibit C** attached hereto.
3. The individual Petty Cash Vouchers and original receipts must be attached to Petty Cash Reimbursement Request Form.
4. Once the completed and approved Petty Cash Reimbursement Request Form (and original receipts) is approved by either the Budget Department (hard dollar expenditures) or Restricted Funds (soft dollar expenditures), it will be forwarded to the Accounts Payable Department for processing.

5. The Petty Cash custodian may not reimburse themselves for amounts spent, even if the amounts are properly approved. It is recommended that the person responsible for the Petty Cash Fund be someone who does not usually spend their own money for the institution. If the Petty Cash custodian spends their own money, they may request reimbursement through Unimarket.

F. Changes to Established Petty Cash Fund

1. If you would like to request an increase in your petty cash fund, a formal request must be made to the Controller (see A above).
2. If you would like to closeout your petty cash, provide a memo to the Cashier stating the amount you would like to surrender, along with the petty cash funds. The memo must be signed by the custodian and the Department Head/Chair. The memo and the funds shall be given to the Cashier. The funds will be counted by the Cashier and the Cashier will then sign a copy of the letter serving as a receipt.
3. If a change to a petty cash custodian is required, the Department Head/Chair is responsible for sending a memo to the Controller's office alerting them of the change. Both the Department Head/Chair and the new custodian must sign the memo.

G. Theft of Funds

Theft of funds must be reported to the Controller's office immediately. A formal report of the incident will be required.

H. Periodic Reconciliations

The Controller's office will perform required periodic auditing of all petty cash funds. The custodians and/or Department Head/Chairs shall make themselves available for these counts. Any variance from the original amount will need to be explained and if appropriate, rectified.

VI. EFFECTIVE DATE

This policy is effective immediately

VII. POLICY RESPONSIBILITY

- A. Employee

Complete **Petty Cash Voucher** or **Travel Mileage Reimbursement Form**, attach original receipts and obtain approvals.

B. Department Chair/Head/Supervisor

Review the **Petty Cash Voucher** or **Travel Mileage Reimbursement Form** for compliance with policy and, if appropriate, approve for payment.

C. Budget or Restricted Funds Department/Department Custodian

1. Review backup, verify signatures and availability of funds.
2. If appropriate, authorize for payment.

D. Cashier/Petty Cash Custodians

1. Perform periodic reconciliation of the petty cash fund. Petty Cash Funds must always consist of total cash on hand plus pending reimbursements to equal the exact amount of the funds issued.
2. The custodian is responsible for the integrity and safekeeping of the petty cash fund at all times. Custodian will not use the Petty Cash in any unethical way or for personal usage or gain.
3. Review Petty Cash Voucher for accuracy and completeness. Ensure reimbursements are accompanied by all the appropriate documentation.
4. Request replenishment of petty cash on a timely basis.
5. Provide advice and guidance with respect to the interpretation and administration of this policy.

VIII. POLICY MANAGEMENT

| | |
|------------------------|--|
| Responsible Officer: | Vice President and Chief Financial Officer |
| Responsible Executive: | Controller |
| Responsible Office: | Controller, Finance Department |

EXHIBIT A



NEW YORK MEDICAL COLLEGE
A MEMBER OF THE Touro College and University System



NEW YORK MEDICAL COLLEGE PETTY CASH VOUCHER

Purpose: This form is to be used when requesting reimbursement through petty cash for expenses \$100 or less. Form should be completed, approved, with receipts attached and given to the petty cash custodian or cashier, whomever is providing petty cash reimbursement.

Pay to: _____ **Date:** _____

Total Amount: \$ _____ -

Charge to:

| FUND | ORG | ACCOUNT | PROGRAM | Amount |
|------|-----|---------|---------|--------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Explanation:

Budget/Accounting Approval

Dept. Approval Signature

Department Name

Signature - Dollar Amount Noted Above Received

ATTACH RECEIPTS HERE

EXHIBIT B - TRAVEL MILEAGE REIMBURSEMENT FORM



NEW YORK MEDICAL COLLEGE

A MEMBER OF THE TOURO COLLEGE AND UNIVERSITY SYSTEM



| | | | | | | | | | |
|---|--|------------|-------|------|--------------|--|------------------|--|--|
| Employee Information | | | | | Employee ID: | | | | |
| First Name: | | Last Name: | | | Phone #: | | | | |
| Address: | | | | | | | City, State, Zip | | |
| Purpose of Trip: | | | | | | | | | |
| Foreign Travel Exchange Rate Used (if any): | | | | | | | | | |
| Coding: | | Chart: | Fund: | Org: | Program: | | | | |

| Expenses Paid by Employee | | | | | | | | | | TOTALS | ACCOUNT |
|----------------------------------|----------------------|------|------|------|------|------|------|------|------|------------------------|---------|
| Date (MM/DD/YY) | | | | | | | | | | | |
| Transportation | Travel To | | | | | | | | | | |
| | Travel From | | | | | | | | | | |
| | Airfare/Rail | | | | | | | | | 0.00 | |
| | Car Rental | | | | | | | | | 0.00 | |
| | Personal Car Mileage | | | | | | | | | | |
| | Mileage Allowance | 0.58 | 0.58 | 0.58 | 0.58 | 0.58 | 0.58 | 0.58 | 0.58 | | |
| | Mileage Charge | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Taxis/Bus/Limo | | | | | | | | | 0.00 | |
| | Gas Amount | | | | | | | | | 0.00 | |
| | Parking/Tolls | | | | | | | | | 0.00 | |
| Lodging | Tips | | | | | | | | | 0.00 | |
| | Rooms | | | | | | | | | 0.00 | |
| | Telephone | | | | | | | | | 0.00 | |
| | Fax | | | | | | | | | 0.00 | |
| Meals | Tips | | | | | | | | | 0.00 | |
| | Breakfast | | | | | | | | | 0.00 | |
| | Lunch | | | | | | | | | 0.00 | |
| Others | Dinner | | | | | | | | | 0.00 | |
| | Entertainment | | | | | | | | | 0.00 | |
| | Seminar | | | | | | | | | 0.00 | |
| | Membership Dues | | | | | | | | | 0.00 | |
| | Conference Fees | | | | | | | | | 0.00 | |
| | Miscellaneous | | | | | | | | | 0.00 | |
| Subtotals | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | | | | | | | | | Total Expenses: | 0.00 |

| Expenses Paid in Advance by NYMC, including credit card charges (With Backup Documentation) | | | | | | | | | | AMOUNT | ACCOUNT |
|---|---------|-------------|--|--|--|--|--|--|--|---------------------------------------|---------|
| Date | Expense | Description | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | Total Expenses Paid in Advance | 0.00 |

Total Expenses to be reimbursed 0.00

I hereby certify the information provided above is an accurate record of expenses incurred by me.

| | | | |
|--------------------------|--|-------|--|
| Employee Name/Signature: | | Date: | |
|--------------------------|--|-------|--|

| | | | |
|-------------------------------|--|-------|--|
| Authorization Name/Signature: | | Date: | |
|-------------------------------|--|-------|--|

Your approved expense report will not be processed without your FOAP. Please attach receipts or appropriate backup documentations

EXHIBIT C



NEW YORK MEDICAL COLLEGE
A MEMBER OF THE Touro College and University System



NEW YORK MEDICAL COLLEGE PETTY CASH REIMBURSEMENT REQUEST

Purpose: This form is to be used by the Petty Cash Custodian to replenish the department level petty cash fund.

CHECK PAYABLE TO: _____

DEPARTMENT: _____

DATE: _____

| Explanation | FUND | ORG | ACCOUNT | PRG. | AMOUNT |
|-------------|------|-----|---------|------|--------|
| 1 | | | | | \$ - |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
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| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

Total Expended Request for Reimbursement (a)

Amount on Hand (b)

(a) plus (b)

Approved Petty Cash Fund amount

| |
|------|
| \$ - |
| |
| \$ - |
| |

CUSTODIAN'S SIGNATURE: _____

DATE: _____

APPROVED BY: _____

DATE: _____

Budget Department
Approval/Restricted Funds
Approval _____

DATE: _____