

Imprest Cash Funds: Guidelines and Procedures

I. General Information

The two designations of Imprest Cash used at the University are Petty Cash and Drawer Cash.

Imprest Cash funds:

- will only be approved and set up in limited situations. A fund will be established only when maintaining a cash-on-hand balance is clearly the best option.
- are established at an initial fixed amount based on a specific departmental business need.
- may only be used in connection with University business.
- must be kept in a securely locked compartment not accessible to anyone other than the fund custodian.
- are subject to unannounced audits by Internal Audit or the Controller's office.

Imprest Cash funds must **NOT** be:

- used to pay for services rendered,
- loaned to or used by any individual for personal use,
- used for cashing of personal checks,
- used for research fee payments,
- used to reimburse employees for travel* and hosting expenses, (*See the one exception in the Petty Cash section III. A.)
- maintained in checking or other bank accounts without specific authorization from the Treasurer's Office

The Imprest Cash fund represents a loan (or advance) to a department. The department must designate an employee to be the fund's custodian. An agreement is signed by the custodian certifying they have the primary responsibility for the daily safekeeping, distribution and accounting of the imprest cash funds, and ultimately for repaying the advance when the need for the fund no longer exists.

The department has the ultimate responsibility for the Imprest Cash, a University employee at the level of Assistant Vice President or higher is also required to sign for establishment of the funds, acknowledging responsibility when the funds are established and at each renewal/reimbursement. A custodian is assigned by the approver, but this does not relieve the approver of responsibility for the fund. Two or more individuals having access to any Imprest Cash fund is prohibited.

II. Establishment or Change for all Imprest Cash Funds

Use the [Imprest Cash Fund Request/Agreement Form](#) to request:

- a new fund,
- a custodial change to on an existing fund, or to
- an increase or decrease the balance. Balance is to be maintained at the original amount until approved.

The form must be signed by both the appointed custodian and the Assistant Vice President for the Custodian's department. The Controller will evaluate the merits of the request and have the final approval/disapproval. As long as there is a continuing need and these guidelines and related University policies are being followed, the fund will continue to remain open.

Contact the Controller to close an imprest cash fund.

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III. Petty Cash

The preferred way to pay for goods and services at the University is to make use of purchasing options such as Purchase Orders, Disbursement Vouchers or the University Purchasing Card (PCard). Petty Cash is provided to departments for approved incidental and emergency small dollar purchases where the use of alternative means (e.g. PCard) is not feasible.

Immediate reimbursement for approved incidental and emergency small dollar purchases may be obtained directly from the fund. If a department has not established a Petty Cash Fund, an employee may obtain reimbursement for incidental and emergency small dollar purchases by submitting a Disbursement Voucher for the amount of the [TABER](#) (Travel and Business Expense Report form).

Receipts or suitable evidence of payment must be obtained for each cash expenditure or incidental purchase made from an Imprest Cash funds. When the original receipt is not available a missing receipts form signed by the Assistant Vice President explaining the circumstances is acceptable as suitable evidence. Repeat missing receipts may result in the decrease or closing of the fund.

The amount established usually represents about 60 days of expenses. Recognizing that business needs may change over time, the Custodian may request the fund be increased or decreased. Under certain circumstance the Controller will advise that a change in the Fund's balance is warranted.

A. Additional guidelines for Petty Cash

Petty Cash funds are not to be used to reimburse individuals for expenditures which should be submitted on TABERs per the [Business Travel and Expense Policy](#), except for *occasional, nominal* amounts such as: mileage or local public transportation typically less than \$10, or for the purchase of food at athletic events where a PCard is not accepted.

As expenditures are made and the fund becomes depleted, Disbursement Vouchers (DV's) must be prepared and submitted to Accounts Payable for reimbursement checks or to Treasury for wire transfers. The DV should be for the amount that brings the total cash back to the approved Imprest Cash balance with each expenditure detailed with appropriate supporting documentation (see section B). The usual time for processing is about five business days after the DV is fully approved.

B. Supporting Documentation for Reimbursement of Petty Cash for Business Expenses

Required documentation is the same as noted in the Stevens' Business and Travel Expense Policy. Receipts must specify the business purpose for the expenditure. An appropriate expenditure is one which is necessary, reasonable and for which a clear business purpose exists. Should it be required, use the [Missing Receipt Form](#).

If the Petty Cash fund is a checking account, additional documentation should always include a copy of the bank statement or check (if applicable).

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IV. Drawer Cash

Drawer Funds are established for the sole purpose of making change for student payments or customer sales.

- The authorized amount of the Drawer Fund should not exceed what is needed to support cash drawer activity.
- Retail activities open during the weekend/holiday periods need to consider potential increased drawer fund needs when establishing the fixed amount of the Fund.

The cash in the fund plus receipts for expenditures should always equal the authorized fund balance.

As long as there is a continuing need and these guidelines and related University policies are being followed, the fund will continue to remain open.

V. Missing or Stolen Imprest Cash Funds

The cash in the fund plus receipts for expenditures should always equal the approved fund balance.

The Custodian or other responsible party must report any missing or stolen funds to Campus police, the Controller's office and Internal Audit. A written report will be required.

VI. Questions?

All questions on Imprest Cash Funds should be directed to the Controller.