



Petty Cash Purchases and Reimbursement Policy

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Responsible Party:	Senior Associate Vice President for Finance & Business Svcs.	Page(s):	1 of 3

Georgia Southern University may reimburse for actual expenses in accordance with the [Business Procedures Manual](#) (located on the University System of Georgia's website), the [Georgia Procurement Manual](#) (located on the Department of Administrative Services website), and University Policy.

Within limits, employees may make direct purchases on behalf of the University, and make direct payments for such purchases by use of personal funds or departmental petty cash funds.

The intent of petty cash funds is to provide a means to make small, unanticipated purchases from vendors when immediate payment is required and other University methods of handling vendor payments are impractical. E-Pro, the University purchase card, and University check payments should be utilized whenever possible.

Purchases

Generally individuals may make direct purchases from suppliers on Georgia Southern's behalf for needs of not more than \$1,000.00 per purchase. Other limitations and restrictions are listed below.

Limitations

1. Petty Cash purchases are subject to Procurement and University system regulations. It is the responsibility of the department, fund custodian, and employees making such purchases to be familiar with the regulations regarding such purchases. The same purchasing restrictions apply to the use of petty cash as to the use of purchase orders and the University purchasing card with regards to prohibited commodities. Items that should not be purchased by petty cash include:
 - (a) Personal Services. **Petty Cash payments to individuals or companies providing personal services of any kind are not permitted.** For example, paying someone for providing office assistance or for providing repair and maintenance type work will result in the reimbursement being disallowed.
 - (b) Any items purchased for personal use.
 - (c) Cut or potted flowers. There may be some exceptions for agency and student activity fund purchases.
 - (d) Any transaction involving a property exchange or trade-in.
 - (e) Firearms.
 - (f) Gifts, trophies, awards, prizes. There are some exceptions, such as student gifts, trophies, awards, and prizes purchased using agency or student activity funds.
 - (g) Purchases from non-contract suppliers of items covered by State supply contracts.

- (h) Membership Dues.
 - (i) Food Items. There are some exceptions including purchases from certain designated agency accounts and grants that allow food items, certain student housing activity programs, and some activities funded by student activity funds where the use of other University payment methods are impractical. Auxiliary units on campus may also purchase food items when the need arises (for example, when ordered food supplies arrive damaged).
 - (j) Postage. All postage should be obtained through Campus Postal Services, with the exception of stamped return envelopes (for surveys, questionnaires, etc.).
 - (k) Rent.
 - (l) Travel. Fuel purchased for rented or leased vehicles used locally may be submitted on petty cash (for example, fuel purchased for rented vehicles used by Housing for transporting furniture and supplies).
 - (m) Technology, which includes hardware, software, and communications equipment and accessories.
2. Faculty and staff making repetitive purchases in the same time period from the same vendor should utilize a different method of purchase/payment such as a purchase order. The University's Procurement and Accounts Payable departments can be contacted for assistance.
 3. At times, the need to purchase easily transportable and transferable items such as cameras, small-value electronic equipment, etc. might need to be purchased by way of petty cash funds. These items need to be tagged with a GSU property decal which can be obtained from Property Control.

Payment to Suppliers

Payment to the supplier may be made in cash from personal funds or in cash from funds temporarily withdrawn from a departmental petty cash fund. If required by the vendor, institutional personnel must provide a tax exemption certificate at the time of the purchase to eliminate sales tax from being charged. If agency funds were used for the purchase, reimbursement of the sales tax will be allowed. The Cash Management Policy on the Bursar's Office website lists the procedure for establishing a departmental petty cash fund and the policy for maintaining the fund.

Reimbursements

Cash purchases may be reimbursed to an authorized employee or departmental agent with the submission of a Check Request Form with the receipts attached. With one exception, (cash register receipts) all receipts submitted for reimbursement to the employee (and by departmental petty cash fund custodians for reimbursement to the fund) should have the following characteristics:

1. The receipt should be an original; it should not be a carbon copy or a photocopy.
2. The receipt should be marked "Paid" and clearly state the name of the vendor. It should be a formal receipt – not merely a slip of blank paper on which the information has been written.
3. The receipt should show the date of the purchase, and the quantity, description, unit price and extension of each item purchased.

Exception: In those instances where only a cash register receipt is obtainable from the supplier, the cash register receipt may be submitted for reimbursement provided the vendor's name is machine printed or stamped thereon.

All requests for petty cash reimbursement must be approved by the applicable budget manager. Under no circumstances can a budget manager approve their own request for reimbursement. In this case, the employee's immediate supervisor would need to approve.

Reimbursement to individuals for cash purchases is made by direct deposit (to the same bank account being used for payroll deposits) or check (if direct deposit is not available). Replenishment of departmental petty cash funds is made in the form of a University check made payable to the fund custodian. Check Requests for reimbursement will only be processed if they total \$50.00 or more. An exception to this requirement is made if a receipt would have to be held by University personnel over thirty days before additional purchases would be made to total \$50.00.

- If a Check Request Form is submitted with receipts totaling less than \$50.00, it must include an explanation. For example, "Receipts are nearing 30 days old."
- If a Check Request Form is submitted with receipts over thirty days old, it must include an explanation for the late submission.

Every effort to abide by this policy should be made; however, if a reimbursement request is made for purchases not normally reimbursable under the Petty Cash Policy, an exception may be granted if a reasonable explanation for an allowable expense is documented and signed by the Budget Manager. This documentation must be separately prepared and signed by the Budget Manager in addition to the approval signature on the Check Request Form.