

**AUSTIN PEAY STATE UNIVERSITY  
POLICIES AND PROCEDURES MANUAL**

Policy Number: 4:012	Supersedes Policy Number: 4:012
Date: December 2, 2005	Dated: May 16, 1988
Subject: Petty Cash	Mandatory Review Date: December 2, 2010
Initiating Authority: Vice President for Finance and Administration	TBR Policy/Guideline Reference:
Approved: President: signature on file	

**Purpose and General Information**

Petty cash funds are established to provide the small change necessary to conduct daily operations across the campus. These funds are for official University business purposes only and are further regulated by the Tennessee State Code. Petty cash funds of either a permanent or temporary status may be established through coordination with the Director of Accounting Services and approval by the Assistant Vice President for Finance. Operation of unapproved petty cash funds on the University campus is specifically prohibited. This policy prescribes the specific procedures for controlling and safeguarding petty cash funds within the University.

**Currently Approved Petty Cash Funds**

**Permanent:**

1. Business Office (Browning)
2. Admissions (Ellington)
3. Library (Woodward Library)
4. Extended Education
5. Printing Services (Woodward Library)

**Temporary:**

1. Athletic Ticket Office (Dunn Center)
2. Fort Campbell Center (Registration)

**Procedures**

1. No petty cash fund will be operated prior to approval by the Assistant Vice President.

2. Requests for approval will be accomplished on a Petty Cash Fund Authorization and Custodian Designation Form, 4:012:a. Requests will be routed with successive coordination and approval as follows:
  - a. Activity Department Head
  - b. Director of Accounting Services
  - c. Vice President for Finance
3. Each request and all approved funds will operate with a formally designated custodian who will acknowledge this responsibility by signature on the Petty Cash Fund Authorization and Custodian Designation Form. A copy of this form will remain in the custodian's personnel file until custodianship is terminated.
4. Any proposed change of custodianship will be coordinated prior to changeover through the Director of Accounting Services.
5. All custodian changes will be preceded by an audit of the fund.
6. Only Business Office cashiers are authorized to use petty cash funds for check cashing purposes. No tax is reimbursable through petty cash.
7. Each petty cash fund will be maintained in constant readiness for audit by Business Office personnel and the Internal Auditor.
8. All funds will be accounted for internally with a formal receipt voucher system. Use of the Subsidiary Receipt Ledgers available from the Business Office is recommended. Alternative systems must be approved by the Director of Accounting Services.
9. Petty Cash will be secured at all times in a container approved by the Director of Accounting Services. Fund custodians will maintain a formal list of those persons authorized access to the container and to the fund. Upon change by deletion of any person authorized access or once biannually the combination of the container will be changed. A copy of the combination will be hand delivered by the custodian to the Director of Accounting Services without delay when any combination is changed.
10. At any time when the fund is no longer necessary or will be inactive for a period greater than two weeks, the petty cash will be turned in to the Business Office.
11. Any overage, shortage, or loss of petty cash funds must be reported immediately to the Director of Accounting Services. All unresolved shortages are further reported through the State Board of Regents to the Tennessee Comptroller's Office. In the case of apparent theft or suspected

misappropriation, the Department of Public Safety will be notified also. All variances in the funds are subject to investigation by the State Comptroller's Office. (See APSU Policy Number 4:020, RESTITUTION AND/OR RECOVERY and COMMUNICATION WITH DISTRICT ATTORNEY GENERAL'S OFFICE)

12. Fort Campbell Center *Petty Cash* Fund will additionally operate in accordance with the Fort Campbell Education Center and Installation Security Regulations.

#### Petty Cash Fund Custodian Responsibility

Each custodian shall be:

1. Personally responsible to the University and Tennessee Board of Regents for both accountability and security of his/her fund. This responsibility includes:
  - a. Periodic audit.
  - b. Controlling the access of others to the petty cash container.
  - c. Insuring that a system of vouchers or receipts is utilized.
  - d. Controlling combinations to the container.
  - e. Absolute accountability for the cash.

Each custodian shall be responsible for:

2. Coordinating any changes in the fund or its custodianship with the Director of Accounting Services.
3. Maintaining the fund in a continual state of preparedness for audit.
4. Reporting any discrepancies immediately to the Director of Accounting Services.
5. Preventing unauthorized use of the fund.
6. All checks accepted must be deposited with the Business Office Cashier within 72 hours (3 business days).