The Texas A&M University System  
Office of Budgets & Accounting (SOBA)  
Departmental Petty Cash Procedures

I. General

The Associate Vice Chancellor for Budgets and Accounting must grant approval to establish a new petty cash fund, or to increase an existing fund. A petty cash fund may be used to make change or pay for items which cannot be expeditiously handled through regular disbursement procedures. Petty cash funds may only be used for their designated purposes and may not be used to cash checks or make advances.

II. Establishing the Fund

1. Submit a request from the Department Head to the Associate Vice Chancellor for Budgets and Accounting (through the Director of Accounting) which includes the following:
   - Purpose for the fund
   - Accounts(s) to be used to replenish the fund
   - Amount requested
   - Name of primary custodian

2. After the request is approved, SOBA will produce a check payable to the primary custodian of the petty cash fund, as agent for both SAGO and the department. (The check is disbursed from the SOBA working fund account.)

3. The primary custodian will endorse and cash the check. The cash must be secured at all times. Follow System Regulation 21.01.02 (Receipt, Custody, and Deposit of Revenues) for custody procedures regarding working/petty cash funds.

III. Accountability for the Fund

1. The primary custodian must ensure that the sum of cash, unreimbursed receipts, and vouchers submitted for processing equal the petty cash balance at all times.

2. The department head, or his or her designee, should perform a departmental petty cash count as of August 31st and submit the Departmental Petty Cash Count form (see sample provided in this section) to SOBA by the 4th working day of each new fiscal year.
3. **If the primary custodian changes, a Departmental Petty Cash Count form must be completed to transfer accountability for the fund to a new custodian.** The previous and new custodian must verify the cash and sign the Departmental Petty Cash Count form. The old custodian signs as the preparer and the new custodian signs as the primary custodian. To complete the transfer of accountability, submit a memo documenting the transfer of funds and the completed Departmental Petty Cash Count form to SOBA.

### IV. Petty Cash Fund Disbursements

*SAGO Rule 21.01.03.S1*

“Disbursements from petty cash funds for goods and services are subject to the same certification, approval, and documentation requirements as disbursements made through regular voucher procedures.”

A Petty Cash form should be completed each time cash is withdrawn, stating who the cash was given to, the amount, and the purpose. Various Petty Cash forms are available from office supply stores. Duplicate forms (such as Tops Petty Cash Book #4109) are recommended so that a second copy remains bound in the book in case the original is lost.

After the cash is spent, the original receipt from the transaction, plus any change remaining, should be placed into the cash box. The original receipt should be attached to the Petty Cash form. At all times, the sum of the following should equal the total petty cash fund balance:

- Cash
- Receipts
- Petty Cash forms without receipts attached

### V. Petty Cash Reimbursements

*SAGO Rule 21.01.03.S1*

“Reimbursements to petty cash fund accounts shall be made at least monthly and as many times during the month as necessary to maintain the efficiency of the accounts.”

To reimburse the petty cash fund, a purchase voucher must be prepared. A payee identification number, 3710710710__, will be assigned to the primary custodian.
This ID number will be used as the payee on the voucher. (If the primary custodian changes, the payee ID will also change.)

Original receipts for all disbursements must be attached to the reimbursement voucher. While not required, the original Petty Cash forms may also be attached as additional documentation. The forms can be helpful since they include a description of the expenditure.

When preparing the voucher, expenses should be grouped by object code. For example, group all receipts for consumable supplies together and the sum of these receipts may be shown on the voucher as a single line item for object code 4010. Be sure to include proper documentation with the voucher to explain how receipts were grouped together.

If paying from several accounts, group the receipts first by account, then by object code. For those reimbursements being paid with state funds, a separate voucher will need to be prepared.

After the voucher is approved and has the proper signatures, submit the voucher (with original receipts attached) to accounts payable for processing.

VI. Closing the Fund

If it is determined that an existing petty cash fund is no longer needed, submit the following to SOBA:

- Total cash balance of fund
- Completed Departmental Petty Cash Count form
- Memo from department head approving the return of funds

All receipts MUST be submitted for reimbursement BEFORE the fund may be closed. The petty cash fund must be returned in its entirety (unreimbursed receipts will NOT be accepted).
**THE TEXAS A&M UNIVERSITY SYSTEM**  
**SYSTEM ADMINISTRATIVE AND GENERAL OFFICES**  
**DEPARTMENTAL PETTY CASH COUNT**

Date: ________________

<table>
<thead>
<tr>
<th>Cash:</th>
<th>Vouchers submitted for processing:</th>
</tr>
</thead>
<tbody>
<tr>
<td>50's</td>
<td></td>
</tr>
</tbody>
</table>
| 20's          | 1  
| 10's          | 2  
| 5's           | 3  
| 1's           | 4  
| Coin          | 5  |

Subtotal: _______ -  

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Subtotal: _______ -  

Cash: _______ -  
Vouchers Submitted: _______ -  
Receipts: _______ -  
Signatures:  
Prepared By: ________________________  
Primary Custodian: ________________________  
Department Head: ________________________  

TOTAL: _______ -