

**OLD DOMINION UNIVERSITY
ACCOUNTS PAYABLE PROCEDURE MANUAL**

Title: Petty Cash and Small Business Expense Procedures

Procedure: 6-810

A. PURPOSE

The purpose of this procedure is to outline the petty cash and small business expense procedures that must be followed by individuals who wish to be reimbursed for non travel related reimbursable expenses. Supporting documentation is required for all expenditures.

B. DESIGNATED STAFF

Accounts Payable Travel Supervisor
Accounts Payable Travel Processor
University Departmental Staff

C. PROCESSING CYCLE

As reimbursements are needed

D. REQUIRED RESOURCE MATERIALS

Petty Cash Reimbursement Form (PC1) (Exhibit 1) – Accounts Payable website
Business Related Meal Form (Exhibit 2) – Accounts Payable website
Expense Report (Exhibit 3) in Chrome River

E. GOVERNING POLICIES AND PROCEDURES

CAPP Section 20310 – Expenditures
CAPP Section 20330 – Petty Cash
ODU Accounts Payable Policies and Procedures

F. CROSS REFERENCE TO OTHER PROCEDURES

Accounts Payable procedure, 6-811, Departmental Petty Cash Fund Policy & Procedures
Accounts Payable procedure 6-812, Reconciling and Reimbursing a Departmental Petty Cash Fund
Accounts Payable procedure 6-710, Meals (Non-Travel Related)
Chrome River Training Guide

G. OTHER ODU OFFICES IMPACTED

University Departments
All Old Dominion University employees who might need a petty cash or small business expense reimbursement

H. INVOLVEMENT EXTERNAL TO ODU

N/A

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I. PROCEDURE

Overview

If an employee of Old Dominion University uses personal funds to purchase goods for departmental use, he/she can be reimbursed from the department's Petty Cash Fund using a Petty Cash Expenditure Reimbursement Form (PC-1), if funds are available. If the department does not have a Petty Cash Fund, the employee must input an Expense Report in Chrome River to request a small business expense reimbursement.

Since the University's PCard is widely accepted by vendors, departments are encouraged to obtain the PCard for individuals who are required to make departmental purchases. Please contact Procurement Services regarding PCard rules and regulations.

If a department chooses to authorize use of the petty cash process, an explanation of why the PCard was not used MUST be attached to each PC-1 Form when reimbursed from a departmental petty cash.

If preparing an Expense Report for a small business expense reimbursement in the Chrome River system, record the reason the PCard was not used in the Comments section.

Petty Cash Reimbursement

- A PC-1 form should be completed for each petty cash reimbursement.
- If your department has a departmental petty cash fund, take the PC-1 form to the departmental petty cash custodian for reimbursement.
 - If the reimbursement is appropriate, the petty cash custodian will issue a reimbursement.

Small Business Expense Reimbursement

- An Expense Report must be completed for all small business expense reimbursements.
- All employee small business expense reimbursements will be electronically deposited into the employee's checking or savings account as directed by the Accounts Payable Direct Deposit set up in Leo Online.

The Accounts Payable direct deposit is separate from the Employee Payroll Direct Deposit form. The Accounts Payable direct deposit is set up for receipt of *reimbursements only*.

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General Guidelines/Proper Use

- Reimbursement of petty cash or small business expenses requires adherence to all University and Commonwealth policies and procedures.
- Departments with a Departmental Petty Cash Fund are required to abide by all guidelines contained in this procedure.
- The total of daily receipts submitted for reimbursement of expenditures from a single vendor cannot exceed \$200.
 - Order splitting is not allowed - i.e., splitting an order so the receipts are less than \$200 for purchases made from the same vendor when items are procured on the same day.
 - Contact Procurement Services regarding purchasing guidelines for goods and services exceeding \$200.
- Petty cash funds should not be used to circumvent the State purchasing requirements or as a substitute for the normal processing of vendor payments.
 - When petty cash funds are used for vendor purchases, the funds must not be used as a means of bypassing the established purchasing procedures in order to avoid State contract items.
- Reimbursement of petty cash funds requires submission of a PC-1, Petty Cash Reimbursement Form – see instructions for completing the form (page 5 of this procedure).

Restrictions for Petty Cash and Small Business Expense Reimbursements

The Petty Cash Reimbursement Form (PC1) or Expense Report MAY NOT be used to pay for any of the following types of expenditures (the list below is not all inclusive):

- a. All expenditures for capital outlay projects
- b. Expenditures over \$200.00
- c. Equipment over \$100.00
- d. Travel expenses, including meals while in travel status
- e. Payments for personal services, including Independent Personal Services Certification Form (IPSC)
- f. Furniture

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- g. Food and/or beverages, on campus, over \$50.00
- h. Radioactive or hazardous chemicals and materials
- i. Contractual payments (maintenance services, consultants)
- j. Narcotics or dangerous drugs
- k. Firearms and ammunition
- l. Purchases from foreign countries
- m. Purchases from State employees
- n. Items available from University contracts (i.e. - University's contracted office supply vendor)
- o. Items available on state contracts
- p. Recurring costs like monthly service charges or lease payments.

NOTE: Restrictions are always subject to change with additional items being added. Any exceptions to these restrictions must be approved in writing by the Accounts Payable Manager or the Director of Procurement Services in advance.

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Completing the Petty Cash Reimbursement Form (PC-1)

Complete all of the fields on the Petty Cash Reimbursement Form (PC-1) for reimbursement from a department's Petty Cash Fund:

- a. Department Name
- b. Date
- c. Payee Name
- d. UIN #
- e. Payee Permanent Address
- f. Reimbursement Amount
- g. Brief Description of *each* expenditure to be reimbursed (can submit a spreadsheet and notate "see attached" – make sure receipts and list are in the same order)

Food Supplies – When reimbursement for food supplies is requested, provide a list of attendees and a meeting purpose and complete the Business Related Meal Form.

Office Supplies – Before purchasing office supplies, you must check with the University's contracted office supply vendor to see if the items are available. **If seeking reimbursement for office supplies from a vendor other than the University's contracted office supply vendor, you must attach an explanation.**

- h. Budget Code

If more than one budget code/sub account is to be charged, list each budget code/sub account code on a separate line.

Do not mix local and commonwealth budgets on the same PC-1 form. Please use separate forms. If you are splitting the cost between two ledgers, submit the forms at the same time and indicate which form has original receipts attached.

Local Funds - budget codes that begin with the numbers 2, 4, 6, 8, A and a few that begin with 5.

Commonwealth Funds – budget codes that begin with 1, 3, 7 and most that begin with 5.

- i. Sub-object Code

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- j. Amount (complete for each expenditure to be reimbursed)
- k. Total amount of reimbursement request
- l. Person Approving Funds (printed name)
- m. Signature (Approval for payment by Budget Unit Director or Other Authorized Signer on the master signature list that is higher than the Payee in the organizational structure – may not be the individual being reimbursed) – No initials or stamps allowed. Must be an original signature.
- n. Date

Completing the Expense Report

Create a new Expense Report in Chrome River and complete the following:

1. Expense Header

Pay Me In – default
Report Name – *Event/Location/Date*
Travel Type – Small Business Exp
Purpose – SBE < \$200
Start and End Date
Click Save

2. Select Small Business Expense on right-hand side to Add Expenses

Date – input the receipt date
Amount
Currency – system will convert to US\$
Select Yes or No response to questions
Comments – include any justification required
Receipt/Docs Attached – click receipt attached, if applicable
Paid on PO or PCard - click paid on PO/PCard, if applicable
Allocation – Record the budget code
 Select the sub-account for SBE expense type
 Click Split if using more than one budget code
Click on Add Attachments to attach receipts

- Select upload attachments OR
- Drag and drop the image to upload

Click PDF Report to review full report
Click Save
Click Submit to route the report to the approver

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Reference the Chrome River Training Guide for detailed instructions on completing the Expense Report.

Receipts and Documentation Requirements

- Attach the receipts which will include the itemized receipt and the method of payment for any items that can be procured with the PCard.
 - If the method of payment is a charge card, you must indicate the type of card (i.e., Visa, MasterCard, Discover card) and the last 4 digits of the card number.
- Employees submitting petty cash (PC1) forms for reimbursement from the department's petty cash fund must tape the **original** receipt for each purchase to a blank 8 ½" X 11" sheet of plain paper and attach the sheet to the PC-1 Form. Use as many sheets as required.
 - Your receipts should be in the same order as they are listed on the PC-1 form. Attach a calculator tape or spreadsheet with amounts in the same order as the expenditures are listed on the PC-1 form.
- If preparing an Expense Report for reimbursement of a small business expense, all original receipts and supporting documentation must be centrally maintained in a department file, and copies must be attached to the report in Chrome River.
- If receipts contain expenditures in addition to those being reimbursed, the items being reimbursed should be circled or highlighted and the total to be reimbursed should be handwritten on the receipt.
- Any sales tax paid by the employee for University goods may be included in the total reimbursement amount.
 - If the items to be reimbursed are not the only items on the receipt, you may only claim the applicable sales tax for the items being reimbursed.
- Tax exempt forms can be obtained from the Accounts Payable Department prior to the purchase, **BUT** most vendors will not accept them for cash transactions.
 - Items procured with purchase orders or the PCard will be less costly for the University since they are **always** paid net of taxes.
- Attach the Business Related Meal Form and complete it in its entirety, or provide a description of the business discussed and the benefits to the University in the comments section of the Chrome River Expense Report, if requesting reimbursement for a non-travel related meal.

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- Provide an explanation of why the PCard was not used. This explanation must be attached to the Petty Cash Reimbursement Form (PC1) if being reimbursed from the department's petty cash fund. If submitting an Expense Report for reimbursement of a small business expense, the explanation must be updated in the Comments section in Chrome River.
- If submitting a petty cash voucher for reimbursement from the department's petty cash fund, DO NOT sign the "certification of receipt" statement at the bottom of the PC-1 form until you receive the cash reimbursement from the Petty Cash Custodian.

Being Reimbursed

Submit the original Petty Cash Reimbursement Form (PC1) to the department's Petty Cash Custodian for reimbursement of petty cash expenses.

Submit an automated Expense Report in the Chrome River system if requesting reimbursement of small business expenses. If the Expense Report is submitted accurately with the applicable forms, receipts and proper documentation attached, the expenses will be reimbursed via direct deposit as authorized by the payee's Accounts Payable Direct Deposit Form.

Records Retention

Original petty cash fund requests and documentation should be maintained in the Accounts Payable agency file for three years.

All original travel documentation for reimbursements processed in Chrome River must be centrally maintained in a department file for a minimum of three (3) years and/or until audited by the Auditor of Public Accounts (APA) and/or Department of Accounts (DOA) per CAPP Topic 20310. After three years, all records may be disposed of in accordance with the University's Records Management Program.

Contacts:

For questions regarding this policy and/or practice contact the Accounts Payable Manager at 683-4813 or the Accounts Payable Travel Supervisor at 683-5020.

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EXHIBIT 1



FORM PC-1
Revised 03/25/2011

PETTY CASH EXPENDITURE REIMBURSEMENT FORM

Department Name: _____ Date: _____

Payee Name: _____ Payee UIN#: _____

Payee Permanent Address _____

Reimbursement is requested in the amount of \$ _____ for the following expenditures. They should be charged to their adjacent budget and sub-object codes. Receipts are attached for each item listed. **If seeking reimbursement for food services, attach a list of attendees and provide the purpose. If seeking reimbursement for office supplies from a vendor other than the University's contracted office supply vendor, attach an explanation. **If a department chooses to authorize use of the petty cash process, an explanation of why the PCard was not used MUST be attached to the PC-1 form.**

Brief Description**	Budget Code	Sub-Object Code	Amount

Total Amount of Reimbursement \$ _____

Approval for Payment by Budget Unit Director or Other Authorized Signer that is higher than the Payee in the organizational structure:

Person Approving Funds (please print)	Signature <i>(no initials, no stamps)</i> (IN INK)	Date
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SIGN BELOW IF RECEIVING CASH ONLY

I certify I received reimbursement for the above listed amounts.

Person Receiving Funds (please print)	Signature <i>(no initials, no stamps)</i> (IN INK)	Date
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Please tape the receipts and a calculator tape of the expenses to a separate sheet of plain paper in the order shown above.

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EXHIBIT 2

BUSINESS-RELATED MEAL EXPENSE STATEMENT OLD DOMINION UNIVERSITY <small>(revised 08/17/2005)</small>		
Date	Meal Expenses (receipts required)	Number of Meals
	\$	
Location (city and state--determines rate of reimbursement)		Meal Taken
		<input type="checkbox"/> Breakfast <input type="checkbox"/> Lunch <input type="checkbox"/> Dinner
Names of all attendees (REQUIRED) – printed or typed List the name, agency/company, and title of each person attending the business meeting.		
Name	Agency/Company	Title
Description of Business Discussed (REQUIRED) Provide a complete description of the business discussed -- use additional sheets if necessary.		
Benefits to the University (REQUIRED) – Please provide a complete description of the benefits the University will receive. Failure to provide sufficient detail will result in the meal being reported as income. Use additional sheets, if necessary.		
☞ Certification Statement ☜ By signing this form, I certify that the meal expenses claimed on this form were business related, involved a substantive and bona fide business discussion related to the University's well-being, and provided benefits to the University.		
Signed: _____		
Title: _____		
Date: _____		

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EXHIBIT 3

Expense Report

Report ID: QA00-0778-4809

Report Name	Expenses on 04/23/2015 2:10 PM	
Expense Owner		
Expense Owner ID		
Created By		
Date	Apr 23, 2015	
To Be Paid In	USD	

Please place this cover sheet in front of hardcopy receipt pages and then scan or fax to:
 Email: expense-qa@chromefile.com Fax: (617) 208-2534

Financial Summary

	Amount (USD)
Total Expenses Reported	50.00
Less Company Paid Expenses	0.00
Less Company Paid Personal Expenses	0.00
Amount Due Expense Owner	50.00

Expense Summary

Expense Type	Amount (USD)
Small Business Expense	50.00
Total	50.00

Allocation Summary

Allocations Charged				Amount (USD)
1CL00	Finance Office	011001		50.00
Total				50.00

Expense Details

Report ID: QA00-0778-4809

Expense Report Expenses on 04/23/2015 2:10 PM

Item	Date	Alert	Cost Code	Type	Disb Amt	Pay Me Amt
1	04/23/2015		CC1	Small Business Expense	50.00 USD	50.00 USD
Business Purpose Description						
Receipt Attached: Yes Firm Paid: No						
Allocations						
			1CL00	Finance Office	011001	50.00 USD
G/L Acct: 011001-1CL00-162						
SBE - Office Supplies - 6002						
			SBE2	No		
			SBE6	No		
			TextBox	Not available		