



**ADMINISTRATIVE  
POLICIES AND PROCEDURES MANUAL**

**DATE ISSUE  
1/6/05**

**REVISION  
6**

**PAGE  
E2-120.0**

**SUBJECT**

**PURCHASING**

**SUB-TOPIC**

**PURCHASES WITH FUNDS HELD LOCALLY**

All purchases using locally held funds are administered by the UTD Purchasing Department. These purchasing procedures typically follow the State's procurement guidelines to include selection of the lowest, best value bidder through competitive verbal or written bidding.

Purchases with funds held locally include:

- A. Petty Cash Purchases
- B. Purchase Order (Any Value)
- C. Standing Purchase Order
- D. Blanket Purchase Order
- E. Small Order System (SOS) - typically \$500 or less
- F. Purchasing Card Program - typically \$1000 or less

**A. Petty Cash Purchases:**

The purpose of the Bursar's Petty Cash Fund is to aid in the reimbursement of supplies and/or services for UTD when it is more feasible to pay cash than issue a purchase order. Transactions between the Bursar and the requestor must be done on a **personal** basis. No Petty Cash monies may be sent through the University mail system by either party.

A requestor must use personal funds to make a purchase, with the approval of the authorized account manager, and subsequently submit the paid receipt to the Petty Cash custodian in the Bursar's Office along with a properly completed Reimbursement of Business Expense Form. Before making the purchase "out of pocket," the requestor should obtain a Tax Exemption Certificate from the Bursar's Office or Procurement Management for presentation to the vendor at time of purchase (the vendor keeps the certificate for his records). If this is not done, the requestor will not be reimbursed for any sales tax paid.

**NOTE:** If the request includes food or entertainment, it must clearly show the type and location of event, event participants and business relationship or titles, and the business purpose of the expenditure.



SUB-TOPIC

PURCHASES WITH FUNDS HELD LOCALLY - Continued

This Petty Cash procedure should not be abused and is strictly limited to those persons with the authority as designated by a program head.

The Petty Cash Fund is not a means of bypassing the normal purchase order system and strict adherence to the following conditions will be maintained:

1. **Limit:** Usage is intended only for small day-to-day needs. Reimbursement is limited to a maximum of \$50.00 per day per account, unless approved in advance by the Director of Procurement Management.
2. **Time Limitation:** Receipts should be presented in a timely manner.
3. **Receipts:** All receipts must be:
  - (a) Legible.
  - (b) Show vendor's name.
  - (c) Have cash register validation, a "paid" stamp, or a vendor certification indicating paid status.
  - (d) All receipts presented for reimbursement must be countersigned by the authorized account manager. This can be done by signature on the Reimbursement of Business Expense Form to which the receipt is attached.
  - (e) Reimbursement will not be given for receipts which are lost, stolen, destroyed, or "homemade."
  - (f) Vendor approved invoicing, showing unit prices and extensions, is required. Packing lists will not be accepted for reimbursement.
4. **Unallowed Use:**
  - (a) Reimbursement will not be made for postage.
  - (b) Reimbursement should not be requested for office supplies that are stocked in the University Central Stores.
  - (c) State Funds can't be used for requests related to food or entertainment.