



SUBJECT: PETTY CASH FUNDS

PURPOSE: To establish a policy for the request, approval, and use of petty cash funds

**General Policy:** Petty cash funds exist to provide reimbursements to employees who incur expenses while on City business or when purchasing minor items for the City. Expenses for overnight travel or conference registration fees shall not be reimbursed through petty cash. Petty cash funds have been established at various City facilities and shall be utilized by the departments and divisions located at these facilities.

**Provisions:**

A. Petty Cash Funds

The following table presents the established funds, the authorized amounts, reimbursement limits, and assigned custodians.

<u>Location</u>	<u>Authorized Amount</u>	<u>Reimbursement Limit</u>	<u>Assigned Custodian</u>
City Hall			
Finance Department	\$1,000	\$ 50	Finance Technician
Natural Disaster Fund	1,000	Waived	Fiscal Officer
Police Department	850	50	Admin. Assistant
Animal Shelter	500	50	Office Assistant
Public Works			
Administration	500	50	Admin. Assistant
IWA	1,000	50	Fiscal Officer
Human Services			
Golf Course	1,000	50	HS Supervisor
Senior Center	500	50	HS Supervisor
Teen Center	500	50	HS Supervisor

B. Cash Limit

Employees may request reimbursement for expenses incurred or to purchase minor items for the City up to the established reimbursement limit. These petty cash reimbursement limits may be waived, however, on approval by the city manager.

C. Petty Cash Reimbursement

1. Requests for reimbursement for petty cash expenditures shall be submitted to the custodian on an approved petty cash voucher (Attachment A), which is available in each department. All vouchers shall be approved by the department or division head, and invoices, receipts, or appropriate supporting documentation must be attached.
2. Approved petty cash vouchers with supporting receipts shall be submitted to the fund custodian who shall disperse the reimbursement accordingly. The party receiving the funds shall sign the voucher in the space provided as evidence of the reimbursement. The custodian shall date and initial the voucher as further evidence that the monies were properly dispersed.
3. Employees are encouraged to accumulate their out-of-pocket expenditures and submit a demand for reimbursement through normal warrant processing. When the exact amount of out-of-pocket expenditures are known in advance, a demand or a request for an advanced check shall be used.

D. Replenishment of Petty Cash Fund

When the petty cash fund is substantially depleted, a demand is to be prepared and submitted to the Finance Department for replenishment. All petty cash vouchers and receipts equaling the amount requested are to be attached to the demand.

An accounts payable warrant shall be issued to the custodian who will then cash the warrant and place the proceeds in the petty cash fund. At all times, the total petty cash on hand plus the amount of signed receipts or petty cash vouchers at any one time must equal the total amount of petty cash authorized.

E. Security

Petty cash funds represent City assets in the form of currency and coin. To guard against the misappropriation of such funds, strict security shall be enforced. All petty cash shall be maintained under lock with access limited to the fund custodian and/or a specified designee. It is the department head's responsibility to ensure that appropriate security measures are enforced.

F. Audit of Petty Cash Funds

Quarterly, all petty cash funds will be audited by a representative from the Finance Department.