

REGULATION: PETTY CASH FUNDS

All petty cash accounts are to be checking accounts. There will be no cash accounts. All petty cash accounts will be maintained on an imprest basis.

The following petty cash accounts are to be established annually by Board of Education resolution with the purpose of each account to be outlined in the resolution. The total allotments for the school year shall not exceed the budget amount.

| <u>Office</u> | <u>Total Allotment</u> | <u>Initial Allotment</u> |
|---------------------|------------------------|--------------------------|
| Comptroller | \$4,000 | \$4,000 |
| Chief of Operations | \$8,000 | \$4,000 |

Petty cash funds may be disbursed only for the immediate payment of comparatively small emergency or urgent expenditures. Petty cash funds may not be used to circumvent the Board approved purchasing procedures.

Limits of Petty Cash Use

A. Approval of Allotment

The allotment for each petty cash account is listed above and shall be approved annually by Board resolution.

B. Items Purchased

Petty cash funds are not to be expended for the following items:

- Postage stamps
- Furniture
- Equipment
- Appliances
- Other items that may be purchased through normal purchasing procedures

C. Authorized Check Signers

Each petty cash account shall have at least two authorized check signers named in the resolution authorizing official depositories of the district.

D. Withdrawal of Funds/Expenditures

1. Checks made payable to cash are prohibited.
2. Each person who seeks petty cash funds shall prepare and sign a written request form stating the amount requested and the purpose of the request. The requester shall supply receipts or invoices as appropriate documentation to support the request and all such documents shall be attached to the request form.

3. Any check drawn shall be in the exact amount of the request submitted. All voided checks shall be maintained on file.
4. Pre-signing and post-dating checks are strictly prohibited.
5. The maximum dollar expenditure per check is \$200.00. Exceptions must be pre-approved by the School Business Administrator at a maximum dollar expenditure per check of \$400.

E. Location of Petty Cash Checkbook and Records

The custodian of the account (Comptroller or Chief of Operations) will ensure that all petty cash checkbooks and records of transactions be placed in a locked secure site.

F. Replenishment of Funds

All petty cash funds established in the annual resolution shall receive their initial petty cash allotment during the month of July.

The allotment check shall be deposited within forty-eight hours of receipt.

Replenishment of funds in excess of the annual allotment must be made by Board resolution through the Office of the School/Business Administrator. The resolution must be attached to the purchase order for replenishment of the petty cash account.

G. Reconciliation of Accounts

All petty cash accounts must be reconciled on a monthly basis and documentation of such shall be made available upon request.

H. Closing Out Procedures

At the end of the school year and no later than June 25th, the custodian of the petty cash account shall submit to the Office of the School/Business Administrator a check made payable to the Passaic Board of Education for the remaining balance of petty cash funds in the account. A report listing all expenditures with supporting documentation shall also be submitted with the check.

I. Reporting

The custodian of the petty cash account shall prepare and submit to the School Business Administrator bank reconciliation as of June 30 no later than July 20th of each year.

The following items must be available for audit:

- Check book
- All payment request forms with original receipts and/or invoices attached
- Bank statements and cancelled checks or copy thereof

First Reading: June 2, 2014

Second Reading: June 23, 2014

Adopted: June 23, 2014