



## ***MUNICIPAL POLICY HANDBOOK***

**CODE NUMBER:** 2125

**CATEGORY:** Financial Operations

### **PETTY CASH ACCOUNTS**

#### **Policy Statement:**

While it is the policy of the County Council to purchase goods and services using approved purchase orders and procedures, this practice can create unnecessary expense to the Council in processing small purchase orders. To facilitate positive economy, the Director of Corporate Services is authorized to determine petty cash requirements of each facility. Allocation of petty cash shall be subject to the following.

#### **Guidelines & Regulations:**

1. Department Heads can receive petty cash allocations upon approval of a written request to the Director of Corporate Services.
2. The Director of Corporate Services may approve petty cash allocations to Department Heads up to \$500.00.
3. Petty cash accounts are not monthly entitlements, but are to be used with discretion as the need arises.
4. All monies expended through the use of this account are charged against the Department's budget.
5. Standard purchasing procedures must be followed for the purchase of regular supplies. Petty cash is to be used for postage, express and emergent low cost supplies. Local purchases are limited to **fifty dollars (\$50.00)** per item and out of town items are limited to **twenty five (\$25.00)** per item.
6. Petty cash shall not be used for the purchase of any capital item or for meal expenses, travel allowance and/or coffee supplies.
8. The Department Head will be reimbursed for amounts expended upon submitted itemized receipts (adding machine or cash register tapes are not sufficient as receipts).
9. Each Department Head shall submit a month end statement within five (5) working days following month end at which time expended funds will be re-advanced to the designated limit. If petty cash funds are depleted during the month, the Department Head should submit an additional petty cash claim.
10. Petty cash advances are the responsibility of the Department Head and therefore, he/she is charged with its safekeeping.
11. Petty cash accounts are subject to audit at any time.

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Effective

Policy Date: 89/01/10

Reference: P#8639, # 02-340

Revision: 06-526

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