Subject: Petty Cash and Change Fund Procedures.

Purpose:
To establish procedures for the use and safeguard of petty cash, and to strengthen the City's internal control over Petty Cash Funds.

Procedures:
Petty cash reimbursements are permitted when other sources of procurement are not available. Petty cash reimbursements for "out of pocket" expenses are limited to seventy five dollars ($75) per transaction. A single purchase with multiple items shall not be broken down into several petty cash requests to fall within the petty cash limit. An employee seeking a petty cash reimbursement must receive supervisory approval for the purchase prior to making the purchase. When supervisory approval has been established, Petty Cash Fund custodians may make a petty cash advance to the purchaser, who must clear the advance by bringing back a receipt and any change within two business days of receipt of the advance. For your convenience, a PETTY CASH FORM which may be used for reimbursement is attached.

All requests for reimbursement must be submitted on a petty cash form that reflects 1) a description of the purchase made; 2) the budgetary account code to be charged; 3) the amount charged to the budgetary account code; and 4) signatures of the approving supervisor and of the employee receiving the reimbursement. All petty cash forms must include the store receipt verifying the purchase amount.

Petty cash fund custodians are responsible for maintaining and safeguarding these City funds. Custodians should submit replenishment requests (through a Direct Payment form) when the fund approaches a low amount and such requests must show the expenditures by account code and dollar amount. The original petty cash forms are to be attached to the Direct Payment form. Additionally, a replenishment request must be submitted each July 1 to account for any reimbursements of the prior fiscal year and at such time as there is a transfer of custody from one person to another.

Restrictions on the Use of Petty Cash

Since a Petty Cash Fund is established primarily to take care of small City related expenditures, it cannot be used for the following purposes:

- To cash personal or travel advance checks.
• Advance cash (in return for I.O.U. slips) to City employees for temporary or personal use.
• For purchases that are expected and recurrent, and that can be more appropriately managed with the use of a credit card.

Security of Petty Cash

It is the responsibility of the petty cash custodian to make sure that the petty cash box is in a safe and secured place at all times. Only the petty cash custodian and his/her alternate(s) should have access to the area where the petty cash box is located. In the evening, the petty cash box must be kept in a locked file cabinet, desk drawer, etc., to which only the petty cash custodian and their alternate(s) should have the keys.

Review

The Petty Cash Fund is subject to an unannounced review by the Department Director or his/her designee, the Finance Department and/or external auditors. The Petty Cash Fund, therefore, must consist at all times of cash on hand, receipts on hand and petty cash advance forms. Custodians should reconcile respective Petty Cash Funds on a monthly basis.

Change Funds shall only be used for making change and shall not be used for reimbursements, which shall only be made via a City check issued after a Direct Payment has been submitted to the Finance department or from the Petty Cash Fund as detailed above.

Various Petty Cash and Change Funds are authorized per listing on file with the Finance Department. Authorization to add or increase a Petty Cash Fund or Change Fund requires Director of Finance and Department Head approval.
CITY OF PITTSBURG
PETTY CASH FORM

Petty cash may only be used to cover employee reimbursements or advances for procurement of work-related items costing less than seventy five dollars ($75.00).

Please complete this form and obtain Department Director or supervisory approval prior to submission for reimbursement.

Pay To: ____________________________ Amount: __________________

Cash For: ____________________________

Date: ______________

Attach Receipt Here:

Charge Account No: ____________________________

Petty Cash Approved By: ____________________________

Petty Cash Received By: ____________________________

Petty Cash Processed By: ____________________________
(Petty Cash Custodian)

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