

## **Petty Cash Procedures**

All petty cash account will be established by checking account and limits and use of debit cards will be established by the school board, based on recommendations by administration. (Limit recommendations are \$500 for Elementary school and \$5000 as previously established by the High School Board)

### **Restrictions/Limitations:**

Petty cash is intended for use in making nominal purchases of supplies and services for the school district.

- Expenditures against petty cash will not exceed \$100.00.
- Approved petty cash uses are: postage, fuel purchases for lawn tractors/mowers, payment of ref's that are not employees of the Supervisory Union, supplies that are immediate in nature and are not available through a vendor that will accept a purchase order (the burden of proof will be on the individual requesting the purchase that the need is immediate and the current school PO-Accounts Payable process is not an option for this purchase)
- Petty cash is not to be co-mingled with any other funds.
- Petty cash funds are not to be used to make change.
- All petty cash expenditures must be documented with itemized receipts that support the purchase. Purchases will be tax exempt.
- Petty Cash accounts will be kept in a locked drawer or safe.

### **Disbursements/Itemized receipts:**

- All disbursement will be pre-approved by the building administrator.
- Itemized receipts are: Cash register tapes, receipts, tickets that are printed with the vendor's name, items purchased, cost per item, date of purchase and total cost.
- A debit card receipt that is turned in that is not itemized and does not meet the requirements mentioned above will not be acceptable and the person responsible for that purchase will have to personally replacing those funds.
- Do not pay tax on supplies or food, tax exempt number can be requested from the business office if it is needed.
- Disbursements will be entered into the Petty Cash Activity in ADS at the school level.

### **Replenishment of Petty Cash:**

- A purchase order will need to be created in ADS general fund for the amount requesting for replenishment, never to exceed the amount established by the board. The purchase order will be signed and itemized receipts totaling the amount of replenishment will be attached to the PO when it comes to Central Office to process for payment.
- The reimbursement of petty cash will show on the check edit list that will go to the board meeting and approved by signature of edit list.
- Reimbursement requests should be made monthly.
- Once the edit list is approved, reimbursement will be processed for the treasurer's signature. The check will be sent to the school for deposit into the petty cash account.
- Replenishment checks will be recorded in the Petty Cash Activity in ADS. Reimbursement checks from the district are the only deposits that shall be made into petty cash other than interest earned on the account.

**Year End:**

- At the end of each fiscal year the Petty Cash fund should have a full balance as established by the board taking into account outstanding disbursements and deposits.

**Reconciliation:**

- Petty Cash bank statements will be sent or forwarded to Central Office each month for reconciliation. A copy of the monthly completed reconciliation will be provided to the school Principal for review.