



SECTION: IC  
TOPIC: PETTY CASH 01  
GENERAL  
FEBRUARY, 2002

## ADMINISTRATIVE PRACTICES MANUAL

**SUBJECT:     PETTY CASH SYSTEMS**

In the course of business, departments, agencies and other county units may find it necessary to make immediate purchases in order to effectively carry out their responsibilities.

To provide such units this ability, the Dane County Personnel & Finance Committee has established the attached policy and procedure to be used in applying for and operating an on-site petty cash fund.

Additional copies of the "Dane County Petty Cash Voucher" form may be obtained from the County Printing & Services Division of the Department of Administration by ordering form number 014/33 (3/86).

Questions regarding the policy/procedure should be directed to the County Internal Auditor (Budget Coordinator) in the Department of Administration.

**END OF NARRATIVE**



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1. Petty cash funds may be established to provide agencies access to funds for the following purposes:
  - A. To make change (non-expendable revolving fund).
  - B. For emergency purchases of a non-material (minor) nature.
  - C. For such other purposes as may be approved by the Personnel & Finance Committee.
2. Requests for petty cash or revolving funds shall be in the form of a resolution and require approval by the Dane County Board of Supervisors. At a minimum, the following items shall be contained in the authorizing resolution:
  - A. Name of the agency requesting the fund,
  - B. A detailed description of the funds purpose,
  - C. The amount requested for the fund and
  - D. A final resolved clause authorizing the County Controller to issue a check to establish or increase the fund.
3. Under no circumstances are County agencies authorized to establish any petty cash or revolving funds without the prior approval of the County Board.
4. Unless otherwise specified in the authorizing resolution, single expenditures shall be limited to \$25.00.
5. In no case shall petty cash funds operated by Dane County agencies be used for general non-emergency operating expenditures.
6. All shortages discovered in a petty cash/revolving fund must be immediately reported to the County Internal Auditor (Budget Coordinator).
7. Petty cash funds should be replenished only as often as necessary to maintain adequate solvency. However, in no case shall an established petty cash fund go without replenishment more than three calendar months. All petty cash funds must be replenished for remaining current year expenditures prior to December 31 each year.
8. All petty cash funds shall require the completion of a "petty cash voucher" (copy attached) for each transaction.
9. All petty cash funds shall be controlled at the agency level by a written policy and procedure defining: (A) The specific types of transactions permitted, (B) The spending limit imposed for any single transaction, (C) The position responsible for control of the fund and (D) A summary of management level staff authorized to execute/approve vouchers.



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10. Once each calendar year, agencies shall review petty cash fund activity with the Dane County Internal Auditor (Budget Coordinator).

Adopted: Dane County Personnel & Finance Committee (07-07-86)

**END OF POLICY**



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Forms Needed:  
Petty Cash Voucher 014-33(3/86)  
Petty Cash Account Summary 014-130(1/96)

### RESPONSIBILITY

### ACTION

Department

1. Determines need for petty cash fund.
2. Drafts resolution including the following elements:
  - a. Name of agency requesting the fund.
  - b. A detailed description of the fund's purpose and reason needed.
  - c. The amount requested for the fund.
  - d. A final resolved clause authorizing the Controller to issue a check for the fund.
  - e. If a checking account is required, the resolution should request authorization to establish one at the County's working bank.
3. Prepares a Policy & Fiscal Note form to accompany the resolution.
4. Obtains signature of County Board Supervisor(s) sponsoring the resolution.
5. Submits to County Clerk for referral and consideration by County Board.

County Board Supervisors

6. Considers resolution and takes action.

Department Management

7. For an approved resolution:
  - a. Within County-wide guidelines, develops written agency policy for controlling petty cash fund, including the following:
    1. Specific types of allowable expenditures.
    2. The spending limit imposed for any single transaction (\$25.00 unless otherwise authorized in the Resolution).



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### RESPONSIBILITY

### ACTION

Department Management

7. (continued)

- a. 3. The position title responsible for control of the fund.
4. A listing of management level staff authorized to approve petty cash vouchers.
- b. Identifies a safekeeping area for maintenance of cash, vouchers and associated records.
- c. Establishes a petty cash voucher control ledger (used to track individual expenditures and the account balance).
- d. Obtains voucher forms from Printing & Services
- e. Submits voucher for payment by County Controller.
- f. Periodically conducts routine audits of account reviewing petty cash vouchers and cash on hand against recorded cash balances.

Department Staff

8. Determines need for minor non-recurring expenditures:
  - a. If of an emergency nature, make purchase (Go to Sept 9).
  - b. If not an emergency, go to Step 9.
9. Obtains and completes copy of petty cash voucher form:
  - a. Voucher No. - Enter the chronological number of this voucher (i.e., 1, 2, 3, etc).
  - b. Department - Enter the name of the department originating the voucher.
  - c. Program - Enter the name of the program originating the voucher.
  - d. Person completing - enter the name of the staff person completing the voucher.
  - e. Date - enter the date the voucher is being completed.



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### RESPONSIBILITY

### ACTION

Department Staff

9. (continued)

- f. Description - Enter a clear description of the item to be purchased.
- g. Reasons - enter the reason(s) this item needed to be purchased through the petty cash system (be specific).
- h. Accounts - Enter the account number this purchase should be charged to, including:
  - 1. Fund number
  - 2. Agency number
  - 3. Organization number
  - 4. Object number
  - 5. Line item description
  - 6. The amount to be charged.
- i. If purchase not already made, completes purchase of goods and provides receipt and petty cash voucher to control clerk.

Department Control Clerk

10. Attaches original copies of any receipts, billings, etc.

Department Management

11. Reviews and signs off approving the expenditure from petty cash.

Department Staff

12. Reviews voucher for appropriate information, issues cash and signs/dates voucher.

13. Posts voucher to petty cash ledger and marks receipts "PAID."

14. Distributes voucher:

- a. Top copy to pending reimbursement file
- b. Second copy to department file.

Department

15. At appropriate times (see County general policy statement), prepares County voucher for reimbursement, prepares County voucher for reimbursement which includes "Petty Cash Account Summary", attaches petty cash vouchers and submits to Controller's Office for reimbursement.



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### RESPONSIBILITY

Department Staff

### ACTION

15. a. Identifies items in petty cash ledger being submitted for reimbursement.
16. Receives reimbursement check, records receipt in petty cash ledger, cashes check and deposits cash in safekeeping.

**END OF PROCEDURE**