

Policy No.: 706.02
Adopted: 12/8/03
Reviewed:

PETTY CASH

Petty cash funds will be established annually in the amount of \$50. Such funds will be used for the payment of properly itemized bills of nominal amounts and under conditions calling for immediate payment. Allowances, responsibility, security and accounting of petty cash funds will be in accordance with Board policy and requirements of law.

The handling and processing costs of a single purchase order for nominal purchases are very expensive. To facilitate small expenditures, a petty cash revolving fund will be established for each building and the district administration office.

Administrative regulations will be developed establishing the amount of petty cash to be allowed, the maximum dollar amount for a single purchase, and the accounting system to be used for record keeping.

Petty cash will not be used to thwart or circumvent established purchasing procedures. It is a convenient accommodation to facilitate immediate acquisition of low-cost goods and services in an efficient manner.

Records will be kept of all expenditures from the petty cash fund and receipts will be furnished to account for all money expended. Expenses will be assigned to the proper budget account.

Petty cash funds are not to be used for the following purposes:

- travel;
- salaries and casual labor;
- school supplies in excess of \$25;
- items costing more than \$25;
- telephone; and
- loans to staff.

A petty cash voucher is required for each disbursement from a petty cash fund including refunds. Each voucher should have documentation attached in the form of receipts and invoices.