Division 07 Fiscal Affairs

Chapter 07 – Petty Cash Funds

March 2009

POLICY

This General Order shall provide guidelines for effectively setting up and maintaining a petty cash fund. This fund will be maintained in accordance with Administrative Procedure #330 and will be used for immediate purchases for which time or prevailing conditions prevent procurement procedures.

DEFINITIONS

N/A

PROCEDURES

1. Assignment

Funds within all Commands are assigned to positions, such as Battalion Chiefs, not individuals. When a custodian of a petty cash fund is transferred, a "Change of Custodian" form (Attached) shall be completed by the person transferred and their successor and the fund audited by Fiscal Affairs.

2. Reconciliation

Petty cash reconciliation form must be submitted to Fiscal Affairs along with original receipts and custodian signature to replenish petty cash.

Fiscal Affairs will submit payment request to the Office of Finance for replenishment.

Checks will be distributed to the custodian normally within 2-3 weeks.

Funds should be reconciled monthly to ensure the account is current and sufficient funds are available for Departmental projects.

• Receipts should not be held for more than sixty (60) days.

3. Custodian Responsibilities

- To ensure that funds are maintained in an efficient manner and remain secured at all times.
- Petty cash funds are used for authorized expenses in support of the Department's mission as outlined in the Administrative Procedure 330.
- Custodian is responsible for the proper accountability of all funds distributed to them as petty cash.
- Original receipts must be maintained.
- Custodian should process to Fiscal Affairs for reimbursement, allowing 2-3 weeks for reimbursement.
- The fund is maintained in such a manner to be prepared for Department level inspections or audits. Each fund will be audited annually at the end of the fiscal year.

4. Fiscal Affairs Responsibilities

 New petty cash funds must be requested in writing to the Office of Finance using the appropriate Agency Cash Fund form.



- Ensure the custodian has used funds for authorized expenses.
- Conduct an audit of all Department petty cash funds in June of every year.

REFERENCES

N/A

FORMS/ATTACHMENTS

Attachment #1- Prince George's County Action Request for Agency Cash Fund

MEMORAND	UM CONTRACTOR CONTRACT
DATE; TO: FROM: RE;	Director of Finance Agency Appointing Authority Action Request for Agency Cash Fund
STEP ONE:	Check applicable box:
	Create new cash fund in the amount of: \$
	Agency No: Activity No: Physical Location:
	Check fund type: Petty cash (PC) Change (CF) Special purpose (SP)
	Close cash fund number Effective date:
	Change amount of cash fund number: Effective date:
	From: \$ To: \$
	Change custodian of cash fund number: Effective date:
	New Custodian Name: Former Custodian Name:
STEP TWO:	Provide signature of affected custodian(s) for all action requests
	New or Current Custodian Former or Closing Custodian
	My signature below is to confirm that I understand the terms and conditions and willingly accept full personal responsibility for administering this cash fund. I promise to maintain the fund consistent with County rules, laws, policies, and procedures, esp., Administrative Procedure 330. I am aware of the above status changes. The cash fund will be property secured and kept on County premises at all times. My signature below is to acknowledge that I am relinquishing responsibility for this cash fund effective as of the date noted above. I have transferred the full value of this fund to the new Custodian or Finance Director. Fund consists of cash in the amount of \$
,	Custodian Signature and Date
STEP THREE:	Justification/Purpose - required:
STEP FOUR:	Forward original and two copies of this form to the Director of Finance. If action request is to reduce or close cash fund, Former or Closing Custodian is