TOWN OF HILLSBOROUGH
PERSONNEL POLICY

POLICY 509 LAST REVISED 6/14/06

SUBJECT: PETTY CASH

PURPOSE: The purpose of the petty cash fund is to reduce the volume of small value checks and to provide an efficient method for departments to obtain reimbursement for small purchases.

STATEMENT OF POLICY:

There shall be a petty cash fund located in the Finance Department in the maximum amount of $5,000, which will serve the administrative need to provide immediate payment for emergency and small purchase items. Petty cash should only be used when the employee does not have access to a purchase card or the purchase requires an alternative means of payment. All purchases shall be documented with a paid invoice or receipt.

Departments are authorized to spend up to $150 per visit for the purchase of small or emergency items, supplies, travel and training. This amount is increased to $300 upon the approval of the department head.

The Finance Department shall maintain a Petty Cash checking account as an alternative method for those payments requiring mailing or advance payment other than through the use of a purchase card. Petty cash checks can not be written in an amount exceeding $300. All employees authorized to disburse petty cash shall be additionally be authorized as one of the signatories on the petty cash checking account.

The Finance Department shall maintain a balance no greater than $300 available at the Finance counter during regular business hours. All funds in excess of $300 shall be located away from the counter and available only to those employees with access authority.

The Finance Department is additionally authorized to advance a portion of the petty cash fund to other departments, if it is determined that another petty cash fund is required and controls are maintained.

Previous revision 8/26/97