

PETTY CASH

SUMMARY

This procedure explains how to establish and/or change a Petty Cash Fund.

PROCEDURE

To Establish or Change a Petty Cash Fund

1. Each department must submit written Petty Cash procedures to the Finance Department, Controller's Division.
2. Obtain Petty Cash action form from the Controller Division, Finance Department at <http://intra.miamidade.gov/finance/forms.asp>.
3. Complete the appropriate sections, obtain Department Director approval, and forward to the Finance Director or designee. Petty cash account will be established under the individual custodian's name (Petty Cash Subsidiary is established), as well as a petty cash vendor (PHC) for issuance of initial and subsequent checks.
4. The Finance Department will contact the requesting department's Petty Cash Custodian to pick up the initial petty cash check. If the petty cash fund is being increased, the check will only be for the increased amount. If the petty cash fund is being reduced, the department must bring the extra cash to Finance Department's Cashier who will provide receipt.
5. The check issued in the custodian's name is taken to the bank and cashed. Please advise the Accounts Payable Section, Customer Service Area, of any address changes related to the custodians, in order to update the vendor file addresses accordingly.
6. Petty Cash must be secured on-site in a storage facility that is kept locked with limited access.
7. The Department Director must immediately send written notification to the Finance Director or designee when a custodian is changed.
8. Custodians are held responsible for all monies in the fund.

Use of Petty Cash Funds

1. Keep all paid original receipts, to include purchase date, vendor name, description of purchase, reimbursement amount, signature of employee reimbursed, and supervisory approval.
2. Fill out a "Petty Cash Disbursement" Form (Form 107.07-25, from ISD) for purchases.
3. Petty Cash is not to be used for a single purchase that cost more than \$250.00 or greater without prior authorization from the Finance Director or designee.
4. Unless specifically authorized elsewhere, "Petty Cash" is not to be used for the purchase of food and beverage items, flowers, cashier's check, gift cards, car washes, licenses, permits, items of personal nature and other similar items, or to make donations. (Refer to A.O. 3-6 for more detailed information regarding use of Petty Cash Fund). Petty Cash is not to be used for expenditures governed by other legislation/regulation. Petty Cash should be provided to an employee for purchase of specific item(s) as approved, and receipts must be submitted to petty cash custodian to finalize reimbursement, on a timely basis (no later than 30 days from date of purchase).

Note: Do not disburse personal funds and then request reimbursement, approval must be sought beforehand. If a personal debit/credit card is used to make an approved purchase, the reimbursement is to include a redacted statement of debit/credit card noting the name of the card holder, the last 4-digits of the card used and only the lines related to the transaction. Debit/credit cards tied to rewards programs are discouraged.

5. Sales taxes are reimbursed from petty cash funds. Sales tax rules do not permit the sales tax exemption when goods are purchased with cash, personal check, or credit, and then submitted to the County for reimbursement.
6. Employee must request reimbursement from petty cash custodian or settle within thirty (30) days of the expenditure transaction.
7. Cash advances must be requested in writing and authorized by the Department Director. Reported documentation must be submitted and/or funds returned within 5 days from receipt of advance.
8. Petty Cash fund is not to be used as a cash register fund, nor to be comingled with personal funds.
9. Departments are responsible for carefully monitoring purchases made and ensuring proper controls exist to help prevent duplicate billing and payment of such transactions through other disbursement means.

To Replenish Petty Cash

1. Complete the Petty Cash Reconciliation Form (Form 107.01-2) and Petty Cash Reimbursement Request Envelope (Form 510.01-300). Individual small receipts need to be taped to an 8 ½ by 11 inch paper.
2. Department must enter the total reimbursement as a direct voucher (VN) into the FAMIS/ADPICS (1800) system for standard payment processing (Invoice Format – PETTY CASH-MMYYYY).
3. Remit forms, envelope, and receipts to the Finance Department for final audit of direct voucher and issuance of check. The Petty Cash Reimbursement Envelope must be signed and dated by the petty cash custodian **and** by the authorized Department Director or designee (usually a supervisor) as listed in the Accounts Payable Authorization form.
4. Reimbursement checks issued in the custodian's name are sent via inter-office or held for pick-up by the originating department for distribution.

To Close a Petty Cash Fund

1. Request a final reimbursement prior to change/cancellation of existing custodian.
2. Bring CASH proceeds to Finance Department's Cashier. Please coordinate with the Accounting & Reporting Section of the Controller's Division for close-out of petty cash funds in a timely manner.

Note

Petty cash obtained from non-county funds (i.e., grants) may have special rules and limitations that govern their use. Please refer to grant agreements for compliance requirements.

CONTACT(S):

Department/Division

Finance Department/Controller's Division/Accounts Payable Section

REFERENCE DOCUMENT(S):

Administrative Order 3-6, Petty Cash