

Policy #: 743
Title: PETTY CASH
Date of Initial Approval: 11-29-2007
Revision/Re-authorization Dates: 03-07-2013; 01-23-2014; 08-23-2018; 04-26-2022
Reviewers: MSA Fiscal Services Director; MSA Finance Committee

I. POLICY

The Minnesota State Academies (MSA) shall maintain \$200.00 of the Imprest Fund in the Fiscal Services Office to pay for small incidental expenditures under \$25.00, or for items in which the use of an Imprest Fund check is not appropriate or functional. (See MSA Policy #742). The Petty Cash Fund will be replenished through the Imprest Fund.

All petty cash expenditures require pre-approval from the employee's immediate supervisor.

The Petty Cash Fund can only be used for school-related expenses and shall not be used to cash any checks for employees or others. No employees or individuals are allowed to borrow from the Petty Cash Fund for personal use.

The Fiscal Services Director shall conduct unannounced counts of the Petty Cash Fund on a periodic basis.

The Petty Cash Fund shall not be used to reimburse employee for reimbursable expenses, which should be claimed on an employee's expense report.

II. PROCEDURE

- A. The Fiscal Services Director shall appoint and train designees within the Fiscal Services Department to serve as custodians of the Petty Cash Fund.
- B. The Petty Cash Fund will be securely stored in the Fiscal Services vault
- C. The designated custodian shall review all requests for use of petty cash, taking into consideration supervisor approval, fiscal constraints, state policy, appropriate reimbursement rules and program needs before authorizing the expenditure. This authorization shall be documented.
- D. Receipts for petty cash along with sufficient explanation to meet MSA requirements shall be fully completed and stored with the petty cash funds until the next reporting date. The total of the receipts and the cash must always equal \$200.00 (the established amount of the fund).
- E. The employee must obtain an itemized invoice/receipt from the vendor for each expenditure. If receipts are not available, the employee must complete an affidavit attesting to the use of the funds and the reason that an invoice/receipt was not obtained.
- F. The designated custodian will review the petty cash receipts and the vendors' invoice/receipt for accuracy, adequate completion, and proper authorization. Any discrepancies must be resolved with the employee and missing information completed immediately. If receipts are not available, an affidavit will be completed in accordance with Step E above.
- G. At the end of each quarter, or when needed, the designated custodian shall request replenishment of their Petty Cash Fund by completing a detailed accounting voucher

and a requisition form for the Imprest Checking Account Fund. The requisition form and accounting voucher will be reviewed and approved by the Fiscal Services Director and an Imprest check shall be written to reimburse the Petty Cash Fund. The check shall be made payable to Petty Cash Fund, cash or to the bank.

- H. The Petty Cash Fund may be selected for a surprise count at any time by the Office of the Legislative Auditor, or the Minnesota Management and Budget (MMB).