

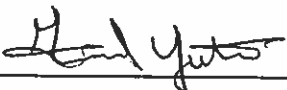
Town of Winfall Internal Control Over Petty Cash Policy

While petty cash funds are generally immaterial to a unit's financial condition as a whole, they are easy targets for misuse of funds. Good internal control over petty cash funds can help to prevent such a misuse. Petty Cash should never be used to advance funds to employees. If a unit can offer reimbursement to an employee in a reasonable time frame, there is no need to a petty cash fund. A unit should carefully evaluate the need for these funds. When unit credit cards are available the use of a card is preferable to the use of petty cash due to administrative efficiencies.

Critical internal control procedures for petty cash funds include the following:

- a. Petty cash funds should be maintained on the impreza basis at the minimum effective amount. One individual should be responsible for the fund and should maintain sole control over it. Back-up, dual control access to the fund should be available in the event of an emergency.
- b. Petty Cash should only be used to reimburse employees for small purchases. Employees seeking reimbursement should present a receipt that documents what was bought, the public purpose, amount, and a receipt that breaks out sales tax. Receipts should be accompanied by written authorization in compliance with unit's authorization policy. Many units use the same form used for other check request.
- c. All petty cash funds should be replenished no less frequently than monthly and more frequently if necessary. All petty cash vouchers should be used to document the check request to replenish the fund. The petty cash should not be controlled by the person responsible for writing checks.
- d. All petty cash funds should be subject to a surprise cash audit from time to time. This control is essential.

Adopted on this 26th day of June, 2023.

Mayor 

Clerk 