

**POLICY SET BY BOARD OF SELECTMEN
AT BOARD OF SELECTMEN MEETING
January 28, 2014**

PETTY CASH POLICY AND PROCEDURES:

1. Balance of cash and receipts to remain at the amount issued at all times.
2. Cash and receipts are to be kept in a locked box and box is to be kept in a safe or locked filing cabinet.
3. No purchases are to be made in excess of the issued amount.
4. Only the department head (custodian of funds) will have access to the cashbox.
5. When cash is disbursed, a slip should be filled out and placed in the cashbox indicating the date, to whom the money was given, and the total given. When the actual slip comes back, the estimated one should be destroyed. This procedure should be followed for any transaction other than an immediate one, such as going downstairs to the post office. All invoices and petty cash slips are to remain in the cashbox, ensuring that the balance of cash, invoices and estimate slips equal the amount originally issued.
6. No comingling of petty cash with departmental receipts is allowed.
7. No cashing of checks is permitted.
8. Cashbox is to be reconciled by the custodian of funds quarterly at a minimum. Reconciliation procedures shall include:
 - Counting of cash and receipts
 - Submission of invoices to the town accountant as necessary for replenishment. Invoices shall be charged to the appropriate expenditure accounts. A check will be made payable to the custodian of funds (or designee in their absence) for the amount of the invoices. The check should be cashed and cash returned to the cashbox.
 - Any shortage shall immediately be reported to the town accountant and Heath Selectboard.
9. Cashbox is subject to audit at any time by the town accountant or outside auditors.
10. The custodian of funds will return money to the town treasurer if ending tenure in that position.