



Administrative Regulation No. 037.A003.1008

Petty Cash and Change Funds Procedures

I. Purpose

The purpose of this Administrative Regulation is to set forth the City of Sarasota's uniform accountability, to control responsibility and establish a format for the management of petty cash and change funds as authorized at various locations in the various City departments.

II. Definition

1. Petty Cash Funds

City Departments shall have authority to make petty cash purchases not to exceed \$50.00. Petty cash funds shall be established in specific departments for the purpose of disbursing cash for authorized expenditures such as travel, merchandise or services of a minor and/or emergency nature. Amounts exceeding \$50.00 shall require the use of a purchasing card, purchase order, or expenditure voucher, whichever is applicable.

No checks shall be cashed from any petty cash funds, and no other monies shall be co-mingled with these funds. Petty cash funds shall not be used for loans, personal advances or personal purchases. Violation of this rule may result in disciplinary action.

Petty cash funds, as differentiated from change funds, are made available specifically for the purchase of materials, supplies, and/or services from a particular source. Proprietary departments may exceed this amount for the purchase of perishables and beverages that require payment upon delivery of the merchandise. Any other emergency requirements over the \$50.00 limit must be approved by the Purchasing Manager, or designee. Petty cash purchases or withdrawals in excess of \$50.00 will require the final approval of the City Manager or City Auditor and Clerk.

III. Procedures

1. Establishment of Petty Cash Funds

- (a) The Department Director, with the approval of the City Manager, City Auditor and Clerk, or the Finance Director shall determine whether a department requires the establishment of a petty cash fund for the transaction of City business.
- (b) The amounts of petty cash given to each location will be specifically determined by the City Manager, City Auditor and Clerk, or the Finance Director.

2. Establishment of Change Funds

Change funds are hereby differentiated from petty cash funds, and under no circumstances are they to be used for any purpose other than making change for City customers. This precludes their use for petty cash purchases. Also, change funds shall not be used for loans, personal advances, personal purchases, or to cash petty cash reimbursement checks. Department Directors have the responsibility of maintaining and monitoring their change funds. Any increases or decreases in the designated amounts require the approval of the City Manager, City Auditor and Clerk, or the Finance Director.

3. Designation of Petty Cash Custodian

Each Department Director with a petty cash fund shall designate a petty cash custodian (hereafter referred to as P.C. custodian) to be responsible for the control and disbursement of petty cash funds. This employee must be a permanent, full-time City employee. These funds shall be kept in a safe place, under lock and key. The employee assigned as P.C. custodian will be responsible for controlling the cash flow in and out of the petty cash fund, making sure proper receipts are obtained for each purchase, assuring that proper forms are completed and authorizing signatures obtained. The P.C. custodian shall also be responsible for reconciling the fund as needed, and applying for reimbursement, via an expenditure voucher - as outlined in section 5(b) of this procedure. Department Directors shall designate one other permanent, full-time City employee as an alternate P.C. custodian. This employee will assume the P.C. custodian's duties in the event of the P.C. custodian's absence.

Each department head shall annually submit to the Purchasing Manager, in writing, the name of the department's P.C. custodian and alternate. Such designations shall be due September 1 and shall be effective for the next fiscal year that begins October 1. Any changes to such designations shall be submitted immediately.

4. Periodic Cash Counts

A surprise cash count (the purpose behind the cash count is the element of surprise) of each petty cash and change fund, including a review of the documents on hand,

must be performed annually. Department Directors should have management level personnel (Counter) conduct this surprise cash count. The Counter should insist on being observed by the petty cash/change fund custodian continuously while the cash count is underway. The petty cash/change fund custodian may perform the actual count while the Counter observes and records the necessary information.

Department Directors may elect to perform surprise cash counts more frequently if desired. Staff from the Financial Administration Department and the City Auditor and Clerk may also perform surprise cash counts periodically. Any discrepancies disclosed by the cash count should be reported immediately to the Purchasing Manager, Finance Director, and the City Auditor and Clerk.

Proof that the surprise cash counts are performed annually should be retained by the Department Director to document adherence with this administrative regulation.

5. Disbursement of Funds

(a) Petty Cash Voucher Instructions

- (1) Reimbursing of petty cash funds shall be done when the employee makes the authorized purchase with his/her own funds, and the amount does not exceed \$50.00.
- (2) Signature of the Department Director, or designee, is required on the Petty Cash Voucher before the petty cash is released by the P.C. custodian.
- (3) All expenditures from petty cash shall be fully substantiated by receipts, cash register tapes or other appropriate documentation. Such proof of expenditures shall be submitted by the person making the expenditures to the Department Director, or designee. The petty cash voucher shall list the amount of expenditure, description of expenditure, vendor, purpose relative to City business, and charge code to which the expenditure will be charged. Since the employee is making the purchase, the vendor will require the payment of sales tax. Therefore, the employee will be reimbursed any sales tax paid on an approved petty cash purchase. The petty cash voucher shall be signed by the person receiving the cash and initialed by the P.C. custodian.
- (4) The individual that approves the petty cash disbursement shall be other than the P.C. custodian.

(b) Expenditure Voucher Instructions

- (1) All petty cash receipts shall be attached to an expenditure voucher and forwarded to the Purchasing Division for approval, review, and processing. Such expenditure voucher shall serve as a record of all monies disbursed from petty cash funds.

- (2) Every expenditure voucher completed for reimbursement of petty cash funds shall include the following information:
 - a) List a single entry for each charge code item;
 - b) Description column should include a brief description of the item or service for which reimbursement is requested;
 - c) Expenditure vouchers shall be made payable to the P.C. custodian or alternate.

6. Performance Commodities Cash Fund

The Van Wezel Performing Arts Hall (Hall) has a performance commodities cash fund that has different dollar limits than petty cash funds defined above. Otherwise, all other petty cash funds procedures apply to this fund.

This is a \$1,000.00 fund for the purchase of commodities needed for performances at the Hall. This fund can be used to make purchases not to exceed \$500.00 when there is not sufficient time to process a purchase order.

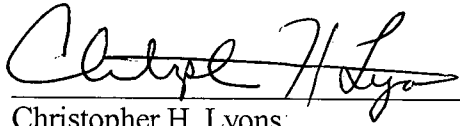
Expenditures from this cash fund must be authorized by the Van Wezel Executive Director or the Van Wezel Finance Manager prior to purchase.

7. Discrepancies

Discrepancies of any amount shall be reported to the Purchasing Manager, Finance Director, and the City Auditor and Clerk.

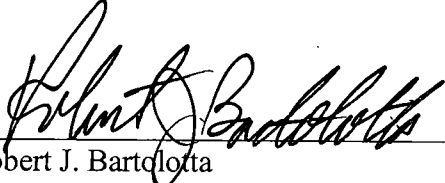
8. Appendix A hereof may be revised independently of this Administrative Regulation provided:

- (a) An Effective Date is included, and
- (b) Such revision is signed and distributed to all departments in the manner prescribed for administrative regulations.



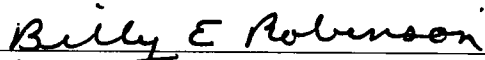
Christopher H. Lyons
Finance Director

October 2, 2008
Date



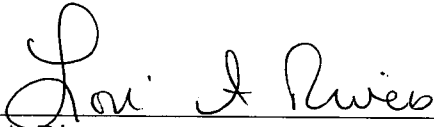
Robert J. Bartolotta
City Manager

10-6-08
Date



Billy E. Robinson
City Auditor and Clerk

10-07-08
Date



Lori A. Rivers
Manager, City Records

10-9-08
Date

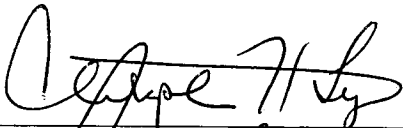
APPENDIX A

Those departments assigned and approved to handle petty cash funds are as follows:

<u>DEPARTMENT</u>	<u>LOCATION</u>	<u>AMOUNT</u>
Bobby Jones Golf Complex	1000 Circus Boulevard	\$ 100.00
City Hall/Annex/Federal Building (All Departments)	1565 1 st Street	200.00
Ed Smith Sports Stadium	2700 12 th Street	50.00
Financial Administration Postage Meters	1565 1 st Street	9,820.00
Office of Housing and Community Development	111 South Orange Avenue	25.00
Police	2050 Ringling Boulevard	700.00
Police	2050 Ringling Boulevard	3,000.00
Public Services	1761 12 th Street	50.00
Public Services Equipment Maintenance	1761 12 th Street	100.00
Van Wezel (Administration)	777 North Tamiami Trail	300.00
Van Wezel (Performances)	777 North Tamiami Trail	1,000.00
Van Wezel (Technical Operations)	777 North Tamiami Trail	150.00
Water Utilities (Administration)	1750 12 th Street	150.00

Those departments assigned and approved to handle change funds are as follows:

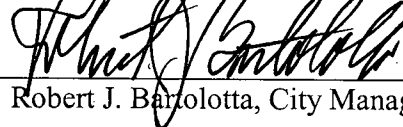
<u>DEPARTMENT</u>	<u>LOCATION</u>	<u>AMOUNT</u>
Bobby Jones Golf Complex	1000 Circus Boulevard	\$2,200.00
Dept of Neighborhood & Development Svcs (Bldg Div)	1565 1 st Street	400.00
Central Records	1761 12 th Street	20.00
City Auditor and Clerk	1565 1 st Street	25.00
Financial Administration	1565 1 st Street	25.00
Human Resources	111 South Orange Avenue	5.00
Municipal Auditorium	801 North Tamiami Trail	200.00
Municipal Auditoriums (Payne Park)	2100 East Laurel Street	150.00
Parking Collections	1565 1 st Street	100.00
Skateboard Park	Payne Park	200.00
Utility Billing Office	1750 12 th Street	1,000.00
Van Wezel (Merchandise)	777 North Tamiami Trail	100.00
Van Wezel (Box Office)	777 North Tamiami Trail	2,400.00



Christopher H. Lyons, Finance Director

October 2, 2008

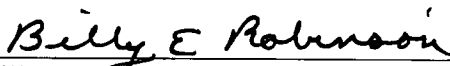
Date



Robert J. Barolotta, City Manager

10-6-08

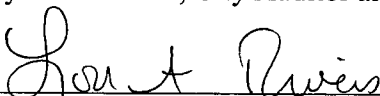
Date



Billy E. Robinson, City Auditor and Clerk

10-07-08

Date



Lori A. Rivers, Manager, City Records

10-9-08

Date