

Lebanon Community Schools

Code: **DJB-AR**
Revised/Reviewed: 6/15/98; 5/6/10
Orig. Code(s): DJB-AR

Petty Cash Accounts

Amount Authorized

The superintendent or designee will determine the amount of petty cash appropriate for each district work location as well as designate a petty cash custodian.

Accounting Method and Procedure

The petty cash funds will be accounted for on the imprest system of accounting meaning that at all times the sum of the cash and receipts must equal the amount of fund authorized.

When the fund is approximately half expended, the custodian will complete a petty cash report showing the amounts expended, their purpose and account number. This is to be attached along with receipts to a purchase order so that when approved by principal, administrator or director, their fund can be reimbursed.

Receipts are required to support all petty cash disbursements.

A petty cash issue slip must be signed by the person receiving reimbursement and shall indicate what was purchased, when it was purchased, the amount and for what account.

All reimbursement issue slips are to be initialed by the petty cash custodian, or if payable to the petty cash custodian or principal, are to be initialed by their supervisor.

Petty cash cannot be issued to reimburse travel or mileage expenditures. Those are to be reported on Travel Expense Reimbursement Claim forms.

Petty cash reimbursement amounts greater than \$25 require the principal or designee approval. Reimbursements for amounts over \$50 require prior approval of the director of business or designee.

The petty cash custodian is personally responsible to safely maintain the funds and receipts.

Year End Closing

At the location's last working day of their fiscal year, the custodian will return their remaining cash and receipts to the business office to close the account.

New Year Establishment

A new check will be issued at the start of a fiscal year to initiate the new year's petty cash account.

Other

The director of business will prescribe any necessary petty cash reporting forms.