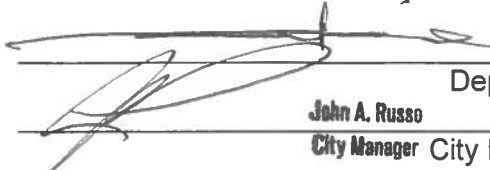




City of Riverside Administrative Manual

Effective Date: 07/2003
Revision Date: 08/2016
Review Date: 07/2018
Policy Owner(s): Finance Department

Approved:



Department
John A. Russo
City Manager City Manager

SUBJECT:

Petty Cash Purchases

PURPOSE:

To provide petty cash for making immediate payments of relatively small amounts.

POLICY:

The Petty Cash Fund will be used to reimburse purchases costing \$50.00 or less including sales tax. The following items are prohibited from petty cash purchases: items carried in Central Stores or covered by the city's office supplies contract, expenditures for more than \$50.00 (expenditures are not to be split in order to stay under the \$50.00 maximum), payment of personal services, cash advances to employees for purposes other than purchasing petty cash items, or cashing any type of check including employee's personal or payroll check.

Additionally, the City Attorney's Office is entrusted with a litigation disbursement account whose funded balance is established and periodically reviewed by the Chief Financial Officer. This disbursement account is to be used for various court legal expenses that aren't known until the day due and payable. As a result, the City's normal check disbursement process would not suffice in these instances due to the need for immediate payment. The litigation disbursement account is used in a similar manner as a Petty Cash fund. As with all Petty Cash funds, the accounts are reconciled and periodically audited.

No petty cash fund shall ever be removed from the City site to which it is assigned without approval of the Chief Financial Officer.

The Chief Financial Officer may authorize a Petty Cash Fund for a department upon request of the Department Head. The Department Head will designate one of his/her employees to be petty cash custodian and an alternate. The Chief Financial Officer shall determine the amount of the petty cash fund and can revise this at any time.

It is the sole responsibility of the department to ensure that the funds are secured at all times in a locked place (i.e. safe deposit box or locked desk drawer). Theft or any losses of the petty cash fund are the responsibility of the department.

Petty cash, with all supporting documents, will be presented immediately upon request to the Finance Department representative designated to audit such funds. Written explanation by the custodian's supervisor must be provided to the Finance Department representative for any delay in presenting the funds and its documents.

PROCEDURE:

Responsibility	Action
Employee	1. Purchases needed item with supervisor's approval. Pays cash or in the case of the CAO litigation account by check and obtains receipt or invoice from supplier.
Petty Cash Custodian	2. Prepares Receipt for Expenditure, Form FIN: RV-3 in duplicate, to cover each authorized petty cash disbursement. 3. Obtains signature of employee receiving petty cash disbursement. 4. Attaches vendor's receipt or cash register tape to the original copy of the Receipt for Expenditure form. 5. Places the original copy of the Receipt for Expenditure form together with the supporting receipt or cash register tape in the Petty Cash Fund to support cash paid out to the employee. a. Leaves duplicate copy in book for audit purposes.
Finance / Accounting	6. Ensures that the total of Receipt for Expenditure forms plus cash on hand always equals the total amount authorized in the Petty Cash Fund. 7. Initiates reimbursement of Petty Cash Fund by preparing Request for Payment, Form FIN: AP-1.
Petty Cash Custodian	8. Sends Request for Payment, supported by Receipt for Expenditure forms and vendor receipts, to Accounting for approval on the last working day of each month or during the month as required.
Finance / Accounting	9. Review for proper expenditure, and approves claim for reimbursement of Petty Cash Fund, payable to the Petty Cash Custodian.
Petty Cash Custodian	10. Cashes check and replenishes fund (check can be cashed at Treasurer's office).
Finance / Accounting	11. Performs periodic audit of Petty Cash Fund.

Attachments:

1. Receipts for Expenditure, Form FIN-RV-3
2. Request for Payment, Form FIN-AP-1

RECEIPT FOR EXPENDITURES, CITY OF RIVERSIDE, CALIFORNIA

Pay To _____ Document# _____

Account Summary Distribution		Date		
General Ledger		Job Ledger (If Required)		
GL Key	Object	JL Key	Object	Work Order
DESCRIPTION OF ITEMS (Receipt must be attached)				AMOUNT
Revenue Rep. Initial & Date:				TOTAL 0.00
Authorized Signature	DATE	Custodian Signature	DATE	Recipient Signature DATE

White-Treasury Canary-Retain by Department

