

TOWN OF WARSAW
PETTY CASH POLICY

SECTION I. PURPOSE

To establish internal controls and criteria for the petty cash fund of the Town of Warsaw.

SECTION II. OVERVIEW

In accordance with New York State Town Law §64, the town board of every town is authorized to establish a petty cash fund for the payment of properly itemized and verified or certified bills for materials, supplies or services furnished to the town for the conduct of its affairs and for the making of change when such is required in the performance of official duties. The Town of Warsaw recognizes the convenience of the use of petty cash funds for small purchases. Therefore, the Town Board authorizes the establishment of a petty cash fund to be operated according to this policy.

SECTION III. POLICY

1. The Town Board shall designate annually or as necessary the person responsible for each petty cash fund.
2. Petty cash fund(s) shall be maintained in the Town Clerk's office.
3. The Town Clerk shall keep a record of and provide to the Town Board a receipt for each expenditure.
4. Payment from the petty cash fund(s) may be made for materials, supplies, or services only when cash payment is required upon delivery. Petty cash fund(s) shall not be used in lieu of regular purchasing procedures as set forth in the Town's Procurement Policy.

SECTION IV. PROCEDURES

1. The attached petty cash form must be completed to record each petty cash payment.
2. The department head must sign the petty cash form.
3. A record book must be maintained for petty cash by the Town Clerk.
4. The Department Head whose expenditure code is charged must sign each petty cash form as the authorized signature.
5. The employee making the purchase must sign the petty cash form as the purchaser.
6. The Town Clerk must secure storage for the petty cash.
7. Each petty cash form must be completed in its entirety before submission to the Town Board for replenishment of the petty cash fund(s).
8. Petty cash may be used for a cash advance for a purchase over \$15.00 with Department Head or Supervisory approval.

WHEREAS, the Town Board of the Town of Warsaw feels it is in the best interest of the Town to establish the petty cash fund of \$ 100.00, assign the Town Clerk as the custodian, and to adopt the proposed Petty Cash Policy.

NOW ON MOTION OF Kevin Zeches, which has been duly seconded by Shani Jones, therefore, be it

RESOLVED, that the Town Board of the Town of Warsaw hereby establishes the petty cash fund of \$ 100.00 and assigns the Town Clerk as the custodian of the fund to handle all petty cash transactions, secure the fund in a locked location separate from other cash drawers, maintain the record keeping of the fund, regularly submit vouchers to the town board for auditing, and periodically reconcile the petty cash on hand; and be it further

RESOLVED, that the Town Board hereby adopts the Petty Cash Policy to establish internal controls for the petty cash fund of the Town of Warsaw a copy of which is attached hereto as Exhibit A.

Ayes: 5

Nays: 0

Absent/Abstain: 0

Quorum Present: Yes No

Dated: 01-13-2021

[SEAL]

Cathy Smith
Cathy Smith, Clerk
Town of Warsaw