

TOWN OF NEWTON

PETTY CASH POLICY

(Adopted June 23, 2008)

Petty Cash is **only** for official Town business. It shall not be used for any personal business even if the intent is to reimburse Petty Cash. Additionally, Petty Cash monies shall not be used to cash any checks.

1. The establishment of a Petty Cash system requires the consent of the Town Administrator. Start up instructions will be provided by the Bookkeeper.
2. A base Petty Cash amount shall be determined by the Department Head and the Bookkeeper.
3. Cash boxes shall be utilized to store the money and supporting documentation, in a secure location. The Department Head shall designate an employee(s) to oversee the Department's Petty Cash system.
4. Payments from Petty Cash shall be made only when a valid receipt or request is submitted.
5. Under no circumstances will personal funds be used to compensate for any shortages. Discrepancies shall be reported in writing upon requesting Petty Cash replenishment.
6. At all times, the sum of the receipts and the cash remaining in the Petty Cash box must equal the predetermined Petty Cash base.
7. At any time, the Bookkeeper and Treasurer may perform random audits of a Department's Petty Cash.