

## Le Sueur County Policy on Petty Cash Funds

### **Background**

By law counties are allowed to establish petty cash (imprest) funds (Minnesota Statute 123B.11). These funds are cash funds with currency in the form of coins and bills, not separate checking accounts.

### **Le Sueur County Policy**

1. Departments are authorized to establish Petty Cash Funds, but must first bring their request to the Board of Commissioners for approval. The Petty Cash Fund shall be used to make change to citizens using cash to pay for services.
2. All funds collected via petty cash shall NOT be used for expenses. Funds will be remanded to the Auditor-Treasurer's Office, the same business day or the next business day.
3. Petty cash funds may start with an opening balance of up to \$100, dependent upon the department's cash transactions. Transactions that result in a cash deposit, should be remit to the Auditor-Treasurer's office for deposit the same day or the next business day.
4. Controls over the Petty Cash Fund
  - a. Because these are cash funds, extra security precautions need to be taken to safeguard these funds. The petty cash custodian should properly secure petty cash funds in a metal lock box that is maintained in a locked desk, locked cabinet, or locked safe to which access is limited.
  - b. Reconciliations of the petty cash fund should be done by someone other than the person who collects funds, on a weekly basis