

**LMOA POLICY MANUAL**  
**CHAPTER FOUR - Section 4.02F**  
**FINANCIAL MANAGEMENT PETTY CASH FUNDS - CONTROL**

Date: Nov. 21, 1983  
Amended: Dec. 19, 1983

**SUBJECT: Financial Management Petty Cash Funds - Control**

**CONTACT: Office Manager**  
**Bookkeeper/Accountant**

**I. POLICY**

The LMOA Board of Directors affirms the necessity of maintaining a system of internal control over Petty Cash Fund. It is the policy of the LMOA Board of Directors that this fund is handled through a voucher system in which the person desiring the money submits a voucher properly authorized and receives the cash.

The internal control system should provide assurance that:

- A. Cash disbursements have been made only for authorized business purposes and have been properly recorded. A ceiling of \$100 is set for each individual petty cash transaction.
- B. Cash on hand balance is accurately stated and subject to appropriate safeguards.
- C. Petty Cash balance is maintained at a adequate but not excessive level. Replenishment will be required no more than every two weeks.

**II. RESPONSIBILITIES**

The designated custodian of the Petty Cash Fund will:

- A. Provide adequate safeguards for the Fund.
- B. Limit Petty Cash disbursements to the maximum amount prescribed by the LMOA Board of Directors.
- C. Complete a Petty Cash Voucher for each disbursement from Petty Cash. Information will include but not be limited to:
  - 1. Date
  - 2. Amount
  - 3. Payee
  - 4. Purpose
  - 5. Signature of Payee
  - 6. Authorizing Signature
  - 7. Accounting Classification

Any documentation received should be attached to the Petty Cash Voucher.

- D. Request replenishment of the Petty Cash Fund as necessary. List all vouchers by amounts and account numbers and attach the vouchers to the list. The total amount of the vouchers added to the total cash remaining must equal the authorized amount of the fund.

The person(s) responsible for signing checks will review the documents supporting each disbursement for completeness and authenticity and perforate or otherwise mark to prevent reuse. The replenishment check will be made out to Petty Cash.

### **III. APPLICATION**

The Petty Cash Fund is subject to a no-notice inspection at any time when requested by the President of the LMOA Board of Directors and/or the General Manager.