Massena Public Library

Petty Cash Policy

Purpose
This policy lays out guidelines to expedite payment of small, unplanned, and one-time staff purchases in order to keep the Library operating smoothly. Recurring purchases should be a budgeted expense and purchased as part of the Library's operating budget.

The petty cash fund is established for small, incidental expenses requiring immediate payment. The Director is the custodian of the petty cash fund and shall administer and be responsible for the security of the funds and the control of disbursements. The petty cash fund of $250 will be replenished by the Director monthly in order to facilitate future payments.

Petty cash funds are to reimburse staff members for purchases of $100 or less, where circumstances preclude following regular payment and reimbursement processes. The original receipt or other evidence documenting the expenditure must be submitted for reimbursement and a handwritten petty cash reimbursement receipt is signed by the staff member. Petty cash is retained in the Director's locked file cabinet. Receipts and cash-on-hand must always total the authorized fund amount.

The following shall apply when considering disbursements from the petty cash fund:

- Purchases must be approved by the Director before a purchase is made.
- The purchase of materials, supplies, postage, or services are eligible for reimbursement from the petty cash fund.
- Each purchase must not exceed the amount available in petty cash. A collection of receipts from the same day and same store will be treated as one purchase.
- The Library does not pay sales tax on purchases. Staff should provide a vendor with the Library's tax-exempt certificate before each purchase to avoid being charged sales tax. Staff will not be reimbursed for sales tax.

At each meeting of the Trustees a list of all expenditures made from the petty cash fund since the last meeting, together with the vouchers and appropriate documentary support (e.g. receipts, invoices) shall be presented by the Director to the Trustees. The Trustees shall approve the disbursements from the petty cash fund which fit the criteria of this policy and direct the Director to replenish the petty cash fund.

This policy was adopted by the Board of Trustees on February 11, 2025.