

# STATE BOARD OF PSYCHOLOGY of OHIO POLICY AND PROCEDURE MANUAL

## SECTION 8: *FISCAL RESPONSIBILITY*

### POLICY 8.4: Petty Cash Procedures and Internal Controls

PRIOR DATE EFFECTIVE: None

EFFECTIVE: APRIL 14, 2016

#### REVIEWED AND APPROVED

  
Executive Director

4/14/16  
Date

Reference: OBM FIN Process Manual

#### POLICY STATEMENTS AND STANDARD OPERATING PROCEDURES

- 1) The Board's petty cash account is \$120 and allows for small dollar (i.e. under \$100) cash payments for some incidental expenses and eliminates the need to prepare a voucher and write a warrant for a small expense.
- 2) The Board has a petty cash coordinator listed in its biennial Memorandum of Understanding (MOU) with OMB specific to petty cash. The MOU governs the Board's responsibilities for secure, appropriate uses of the account and reporting of apparent misuse or irregularities.
- 3) The agency petty cash coordinator oversees the petty cash account and is responsible along with the Executive Director for all petty cash account transactions and for proper accounting and maintenance of internal controls.
- 4) Security. Access to the petty cash account is limited only to the coordinator and Executive Director and those staff members authorized by the Executive director as needed. When not in use, the funds are kept in a locked location in the Board office.
- 5) Purchasing. Allowable expenditures from the account includes purchases below \$100 that are non-recurring expenses and that adhere to all DAS and OBM purchasing guidelines.
- 6) Internal controls.
  - a. Aside from locking the cash up when not in use, accurate and complete records are updated for each transaction. Records include a current running cash journal of account use, the current Petty Cash Fund Quarterly Reports, receipts on hand, outstanding vouchers, uncashed replenishment warrants, and any relevant memoranda.
  - b. Replenishment. The petty cash account is replenished by preparing a voucher in OAKS FIN. The backup documentation required for the voucher includes the

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receipt documenting the purchase(s). Replenishments can be done as frequently as needed to keep the petty cash operable. A minimum of one replenishment must be done each fiscal year.

- c. Accounts reportable. Reports of the petty cash account are provided to OBM each fiscal quarter. This provides the amount of the account in each stage of processing in order to reconcile to the authorized amount. The Petty Cash Fund Quarterly Report (Form Number 7275) is used for this reporting by the coordinator.
  - d. Unauthorized use. The Board's coordinator shall notify the Executive Director and OBM State Petty Cash Administrators when an actual or suspected irregularity occurs. In the event of a suspected or actual theft, an investigation report must be completed with the State Highway Patrol or other law enforcement authority and be submitted with the voucher to replace the amount of the loss.
- 7) The petty cash account is subject to biennial review by the Auditor of State.