



NEW JERSEY DEPARTMENT
OF CHILDREN AND FAMILIES

New Jersey Department of Children and Families Policy Manual

Manual:	CP&P	Child Protection and Permanency	Effective Date:
Volume:	IX	Administrative	
Chapter:	F	Fiscal	6-24-2016
Subchapter:	1	General Fiscal	
Issuance:	600	Petty Cash Fund	

Definition and Limitation of Petty Cash 6-24-2016

A petty cash expenditure is a “single expenditure” for the purpose of paying a current expense requiring a prompt cash outlay. Such an expenditure may not be part of a larger amount payable which exceeds the maximum amount permitted under this policy and which is made to the same vendor or payee for the same purpose.

A “single expenditure” is one transaction for which a payment made does not exceed \$200 for enrichment activities as approved by the Executive Director of the Office of Adolescent Services or the Assistant Commissioner of Child Protection and Permanency, or \$50 for all other transactions.

Petty cash is used to reimburse a person for an expenditure made; it is not a cash advance.

Allowable Expenditures 11-15-2010

The following are examples of allowable petty cash expenditures:

- emergency household items;
- emergency office supplies not available either because they are not stocked or because there is no current supply through the Central Office Stockroom;
- keys related to state business, e.g., keys for office building doors, file cabinets, and cars (include license number of car on voucher);
- first aid supplies;

- transportation cost (e.g., bus, cab, or train fare) on behalf of a CP&P supervised child only if all other methods of payment (i.e., CP&P Form [K-100](#)) are not acceptable to the provider. Such expenses should not exceed \$10.00 per child per incident.

The above examples are not exhaustive but are merely examples of typical petty cash expenditures.

Non-Allowable Expenditures 10-12-2010

The following are examples of non-allowable petty cash expenditures:

- refreshments for employee meetings;
- refreshments for training and community meeting may only be available under certain circumstances. See your Training Liaison;
- subscriptions and memberships;
- loans or cashing of checks for employees or clients;
- donations to any cause or organization;
- New Jersey sales tax on any purchase except for occasional meals and snacks where applicable. See Sales Tax Exemption, below;
- telephone expenses;
- money order fees to pay for personal phone calls;
- cash advances (See travel policy for travel expenses exceeding \$75.);
- \$25.00 Notary Public Commission application fee;
- employee travel reimbursement for use of employee's own car (paid through use of a Travel Voucher);
- emergency gasoline or any other expense for a state car except car keys and holders. See [DCF-III-E-1-01-2014](#).

Petty Cash Custodian 9-8-88

The custody and operation of the petty cash fund is the responsibility of one person designated by the Office Manager as the "Petty Cash Custodian. The

custodian is not allowed to approve any voucher for payment. At no time should the petty cash fund be carried on a person. See Security of the Fund, below. An alternate custodian must be designated to be a substitute for the regular custodian. The names of the regular and alternate custodians must be sent to the Office of Accounting immediately upon their appointment. The Office of Accounting is also notified when a name is deleted.

Office Manager Responsibilities 9-8-88

At a minimum, the Office Manager is expected to:

- Adopt internal procedures which provide for the physical safeguarding of their petty cash funds. This includes securing the funds during and after working hours and minimizing access to funds.
- Petty cash fund by someone other than the Petty Cash Custodian.
- Periodically review office practices and procedures to insure compliance with petty cash policies and procedures.
- Ensure timely requests for reimbursement of petty cash. As a general rule, requests for replenishment should be submitted to Central Office when the amount of unspent funds equals 50% of the total imprest amount. Adherence to this general rule will insure that an adequate amount of cash is always available.

Administration of Petty Cash 9-8-88

Each unit assigned a petty cash fund is designated a specified imprest amount. The funds are disbursed from a central account in limited amounts which are replenished upon request.

All requests to increase a petty cash fund or transfer money from one petty cash fund to another must be made by the Area Business Manager to the Management Coordinator, Office of Accounting. Upon approval of the Management Coordinator, the petty cash fund(s) involved will be adjusted. The Area Business Manager will be notified of the approval or rejection of all requests prior to the adjustment of any petty cash fund involved.

Operation of the Petty Cash Fund 9-8-88

Sales Tax Exemption 9-8-88

The State is exempt from the payment of New Jersey State sales tax for purchases made in and for the conduct of state business. When a CP&P

employee makes a purchase only in the conduct of state business, he completes and gives the Form ST-4 to the vendor.

New Jersey State sales tax expenditures cannot be reimbursed through the petty cash fund except for occasional meals and snacks purchased for children under supervision.

The Form ST-4 is not required in this circumstance.

EXCEPTION: New Jersey Sales Tax is reimbursable from Petty Cash if a vendor refuses to accept or honor the Form ST-4. In this circumstance, note on the Petty Cash Voucher that the vendor would not accept the ST-4 form.

Reimbursement by Voucher 9-8-88

The employee must collect a store receipt at the time of purchase. If the vendor does not routinely provide receipts, the person expending the money attempts to secure from the vendor a piece of paper with the vendor's name, date, the item purchased, amount expended and the vendor's signature. There is no difference between requirements for receipts which are submitted on behalf of CP&P clients and receipts that are submitted for any other purpose. Original vendor receipts are required by the Department of Treasury for all types of expenditures. (The Department of Treasury will not reimburse CP&P when a copy of a receipt is submitted.)

If it is impossible to secure a vendor receipt, e.g. a vending machine purchase for a child's snack, it must be noted and explained directly on the Petty Cash Voucher, CP&P Form [16-29](#), in order to qualify for reimbursement.

In order to be reimbursed for allowable expenditures, a Petty Cash Voucher, CP&P Form [16-29](#), must be completed by the employee and approved by the employee's supervisor within 30 days from the date of the expenditure. Original signatures are required from both the employee and the supervisor.

The voucher includes the amount of the expenditure, date of purchase, item(s) purchased, case number of the child client (if applicable), and approval from the supervisor or his alternate. Vouchers for keys for state vehicles must show the license number of the vehicle. Vouchers for refreshments at meetings with community involvement must have a separate list of all attendees (including CP&P employees) and the concern they represent attached. The voucher is submitted with respective vendor receipts to the Petty Cash Custodian. When the Petty Cash Custodian gives the cash to the employee who incurred the expense, the employee signs the voucher. The voucher is completed in ink or typewritten, not in pencil.

All original receipts must be attached to each Petty Cash Voucher and submitted to the Office of Accounting with the Petty Cash Replenishment Request.

Maintenance of the Petty Cash Ledger 4-3-90

A petty cash ledger must be maintained by the custodian in each unit which operates a petty cash fund. The ledger must be maintained either on the personal computer or manually. The ledger consists of the following:

- fund balance, adjusted as each transaction occurs, posting date,
- item purchased,
- purchase date,
- client name,
- case number (if applicable),
- item cost, and
- total imprest fund amount.

Petty cash transactions are posted to the ledger as they occur, or held until the end of each day for posting.

Reconciliation of the Petty Cash Fund 4-3-90

The custodian reconciles the petty cash fund at the end of each week.

Quarterly, the Office Manager reviews the petty cash ledger to ensure appropriate use and accurate accounting of the fund and completes a formal reconciliation.

Replenishment Request Procedure 4-3-90

The Petty Cash Custodian maintains sufficient funds on hand to cover expenditures. When approximately 50% of the imprest fund has been expended, the custodian requests replenishment by submitting the CP&P Form [16-81](#), Petty Cash Replenishment Request; see instructions in Forms Manual.

Submit requests monthly, bi-monthly, or weekly as necessary; Petty Cash funds will not be increased in order to lessen the frequency with which requests are needed.

The Office of Accounting arranges for replenishment by check. Individual items not submitted in accordance with petty cash fund policies are subtracted from the amount requested and not included in the actual reimbursement issued.

Security of the Fund 9-8-88

The petty cash fund is stored in a locked metal box within a locked file cabinet or desk. It is recommended that the file cabinet or desk be located in a working area which is in constant view of more than one employee and not in an enclosed office or some remote area. The fund must not be carried on a person.

Stolen Petty Cash Fund 9-8-88

1. Report the theft to the local police.
2. Report the theft by completing a Critical Incident Report, CP&P Form [21-10](#), per form instructions.
3. To be reimbursed for the stolen money, send to the Office of Accounting: a memorandum explaining what happened, a copy of the CP&P Form [21-10](#) and a copy of the police report of the theft along with a signed State of New Jersey Payment Voucher (Vendor Invoice) PV 6-93 for the stolen amount. The amount requested should equal the amount stolen as noted on the police report.
4. The Office of Accounting notifies the Treasury Department of the theft and requests reimbursement of the CP&P fund.

Closing a Petty Cash Fund 9-8-88

When an office finds it no longer requires a petty cash fund or whenever an office ceases to operate, the fund must be closed. This is accomplished by returning any receipts and unspent monies to the Office of Accounting in the same format as the Petty Cash Replenishment Request, CP&P Form [16-81](#).

Petty Cash Fund Reconciliation - Example for a \$50 Fund 4-3-90

Petty Cash Fund Reconciliation
 Example for a \$50 Fund

Imprest Amount	\$50.00
Cash on Hand	\$
4 Pennies	.04
2 Nickels	.10
2 Dimes	.20
2 Quarters	.50
0 Half Dollars	0

1 Singles	1.00
1 Fives	5.00
1 Tens	10.00
0 Twenties	0
TOTAL CASH ON HAND	16.84
TOTAL REPLENISHMENT	27.00
REQUESTS IN TRANSIT	0
TOTAL PETTY CASH	0
VOUCHERS ON HAND	6.16
AS OF 5/14	
TOTAL CASH AND VOUCHERS OVER (UNDER)	50.00

Date of Reconciliation _____

Signature of Petty Cash Custodian _____

Signature of Person Witnessing the Reconciliation _____

Signature of Office Manager Completing the Petty Cash Quarterly Review
and Reconciliation _____