



WADING RIVER FIRE DISTRICT BOARD OF FIRE COMMISSIONERS

3.6 Petty Cash Policy

IT IS HEREBY RESOLVED that the fire district treasurer shall maintain a petty cash fund in the amount of \$250.00 in accordance with the procedure outlined in the Town Law. Section 176 of Town Law reads as follows:

4-c. Notwithstanding the provisions of subdivision four-a of this section, may by resolution establish a petty cash fund for the fire district treasurer for the payment, in advance of audit, of properly itemized and verified or certified bills for materials, supplies or services furnished to the fire district for the conduct of its affairs and upon terms calling for payment to the vendor upon the delivery of any such materials or supplies or the rendering of any such services. The amount of such petty cash fund shall not exceed two hundred fifty dollars. At the time of any payment from such fund, the treasurer shall require delivery to him of a bill in form sufficient for audit by the board of fire commissioners as required by law. At each meeting of the board of fire commissioners a list of all expenditures made from such fund since the last meeting of the board, together with the bills supporting such expenditures, shall be presented by the treasurer to the board of fire commissioners for audit. The board of fire commissioners shall direct the treasurer to reimburse such petty cash fund from the appropriate budgetary item or items, in an amount equal to the total of such bills which it shall so audit and allow. Any of such bills or any portion of such bills which the board of fire commissioners shall refuse to audit and allow shall be the personal liability of the treasurer and he or she shall promptly reimburse such petty cash fund in the amount of such disallowances. If such reimbursement has not been made by the time of the first payment of salary to the treasurer after the action of the board of fire commissioners in disallowing an amount so expended, such amount shall be withheld from such salary payment to the treasurer and, if necessary, subsequent salary payments and paid into such petty cash fund until an amount equal to the amount so disallowed in the audit of the board of fire commissioners has been repaid to the petty cash fund. Any bond or undertaking filed by the treasurer shall be available to the fire district for recovery of any losses incurred by reason of the operation of such petty cash fund. McKinney's Town Law § 176 .

IT IS FURTHER RESOLVED that the source of the funds for the petty cash fund shall be the general fund. The treasurer shall withdraw the sum of \$250.00 from the general fund in order to fund the petty cash fund.

IT IS FURTHER RESOLVED that thereafter the petty cash fund shall be available to the treasurer to fund the acquisition of goods and services that are necessary for the prudent and fiscally sound operation of the fire district when such purchases must be made for cash before the next meeting of the Board of

Fire Commissioners.

IT IS FURTHER RESOLVED that the treasurer shall only approve expenditures from the petty cash fund that he or she believes are prudent and necessary for fire district operations and cannot await the normal board approval, claim voucher audit process.

IT IS FURTHER RESOLVED that if the treasurer approves an expenditure from the petty cash fund, he or she shall obtain receipts and such other documentation of the purchase as will be necessary for later audit and approval by the Board of Fire Commissioners. He/She may expend money from the fund and apply to the Board for approval of the expenditure and replenishment of the petty cash fund from the general fund.

IT IS FURTHER RESOLVED that at no time shall more than \$250.00 be placed aside in a petty cash fund from the other district funds. At no time shall funds other than the funds from the general fund be used to create or replenish the general fund. At no time shall funds be added to the existing petty cash fund after its initial funding with \$250.00 other than when monies withdrawn for petty cash purchases are replenished from the general fund upon approval by the Board of Fire Commissioners. Thus, if the petty cash fund has \$250.00 and the treasurer spends \$50.00 on a petty cash purchase, the \$50.00 cannot be replenished until the Board approves the \$50.00 purchase and replenishment of the fund.

IT IS FURTHER RESOLVED that if the treasurer makes a purchase through the use of the petty cash fund, he or she shall submit a claim voucher to the Board for the petty cash fund asking the Board to approve the expenditure and direct replenishment of the fund from the general fund. Said claim voucher shall be itemized and submitted with the proper receipts and other documentation so as to allow the Board a reasonable opportunity to audit the claim. In the event that the Board rejects the petty cash purchase and the claim submitted, the treasurer shall be required to replenish the petty cash fund with his or her personal funds. However, before doing so, the treasurer may submit a written appeal of such denial to the Board providing an explanation of the purchase and such further information as he or she believes will permit the Board to reconsider such denial. In the event that the Board approves the appeal, the initial voucher shall be deemed approved, the petty cash fund shall be replenished and the treasurer relieved of any obligation to replenish the fund. In reviewing the appeal, the Board shall consider whether or not the purchase would be proper and legal if approved by the Board, whether or not a Board member or chief requested that the treasurer make the purchase, whether or not the Board has previously denied a similar type of purchase, and whether or not a proper fire district business purpose can be identified as applying to the purchase. The ultimate determination shall be a matter of Board discretion and the treasurer should consider this fact carefully before making a petty cash purchase.

RELATED POLICIES:

- 1.2 Whistle Blower Policy
- 1.12 Disciplinary Procedure Policy
- 3.0 Procurement Policy
- 3.1 Annual Inspection Policy
- 3.2 Refreshment Policy
- 3.3 Sales Tax Procedure Policy
- 3.4 Credit Card Policy
- 3.5 Authorization of Food Purchases for Department Events

Adopted by the Wading River Fire District Board of Fire Commissioners on Monday, 09/26/11.

Edward Frost, Chairman
Timothy Deveny, Commissioner
Michael Harrigan, Commissioner
Thomas Lateulere, Commissioner
James Meier, Commissioner