

Business/Non-Instructional Operations

Petty Cash Funds

CREC may authorize the use of petty cash funds for small, incidental purchases where the use of the standard purchasing system would be inefficient. Petty cash shall be managed with the same accountability, documentation, and fiscal integrity as all other CREC funds.

Petty cash may not be used for travel, services, payroll, advertising, loans, or other restricted purposes defined in purchasing policies.

Individual petty cash purchases are limited to \$50 per transaction.

Petty cash accounts are not generally permitted for grant-funded programs unless specifically approved.

All petty cash funds are subject to audit and must be reconciled regularly.

Legal References:	Connecticut General Statutes 10-220 – Duties of boards of education (financial accountability)
	Other Generally Accepted Accounting Principles (GAAP) – Internal controls for cash management

Policy adopted:
Revised: January 21, 2026

CAPITOL REGION EDUCATION COUNCIL
Hartford, Connecticut

Business/Non-Instructional Operations

Petty Cash Procedures

Establishing a Petty Cash Fund

- Must be approved in advance by the Executive Director or designee.
- The program manager determines a monthly limit based on budget and need.
- A secure location must be identified, and a designated petty cashier assigned.
- A check is issued to the cashier to establish the fund; the cashier assumes responsibility for all monies.

Permitted Uses

Appropriate examples include:

- Miscellaneous postage.
- Collect-on-delivery (COD) charges.
- Small hardware, classroom, or cleaning supplies.

Not permitted:

Travel expenses, contracted services, temporary staffing, telephone, advertising, printing, staff loans, or purchases requiring competitive bidding.

Documentation & Recordkeeping

- Every disbursement must be supported by a receipt or petty cash voucher and coded to the correct budget line.
- The petty cash box must always contain cash + receipts equal to the original advance.
- Petty cash records must be reconciled at least monthly by the program manager or designee.

Replenishment

- Submit a Petty Cash Reimbursement Form with original receipts to Business Services.
- Reimbursement is for actual expenditures only (no advances).
- Recommended when about 50% of funds are spent to allow time for processing.

Closing or Year-End Procedures

- At the end of the fiscal year or grant period, the petty cashier must return all receipts and/or remaining cash to Business Services to close the account.
- Accounts continuing into the new fiscal year must be reconciled and resubmitted for approval.

Oversight & Accountability

- Program managers and principals are responsible for safeguarding petty cash funds.

- Any shortage, discrepancy, or suspected misuse must be reported immediately to Business Services.
- Business Services provides technical assistance and may audit accounts at any time.

Regulation issued: November 19, 2025

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