Executive Summary: Policy #8.15 Transition
From: Petty Cash Policy (2009)
To: Petty Cash Policy (2025)

1. Purpose and Scope

2009 Policy: Combined policy and procedures governing petty cash setup, disbursement, reconciliation, and audit review.
2025 Policy: Establishes guiding principles for petty cash authorization, custody, use, and oversight. Delegates operational detail to a separate procedures document issued by Finance/Accounting.

2. Structure and Format

2009: Procedural instructions embedded within the policy, including step-by-step guidance and form references.
2025: Clean separation of policy from procedures. Includes formal table of contents, administrative review section, and regulatory references.

3. Terminology Modernization

Replaces procedural language with principle-based expectations.
Clarifies roles (e.g., "Custodian," "Department Head") and elevates oversight language to policy level.

4. Governance and Review

2009: No designated policy owner or review cycle.
2025: Assigns policy maintenance to the Clerk/Treasurer or designee, with annual review and update recommendations submitted to the County Administrator and Commission.

5. Regulatory References

2025 Policy introduces a dedicated section citing:

- Code of Alabama Title 11

- GFOA Best Practices

- Alabama Examiners of Public Accounts Audit Guidelines

- Baldwin County Records Retention Policy

6. Procedural Delegation

2009: Embedded procedures for fund establishment, disbursement, reconciliation, and audit review.
2025: Refers departments to the Petty Cash Procedures and Reconciliation Guidelines issued by Finance/Accounting, allowing for flexible updates without formal policy amendment.

Summary Impact

The revised Petty Cash Policy modernizes Baldwin County's financial governance by:

- Clarifying custodial roles and responsibilities

- Strengthening oversight and reconciliation expectations

- Aligning with professional standards and audit readiness

- Supporting operational flexibility through a separate procedures document