



# STATE CONTROLLER'S BULLETIN

Edward Karass  
State Controller

Rebecca M. Wyke, Commissioner  
Administrative & Financial Services

Bulletin #FY06-03

**SUBJECT: Addition of Section 85.50, Petty Cash Requirements, to the Statewide Administrative and Accounting Manual (SAAM)**

**DATE:** September 9, 2005  
**TO:** All Departments and Agencies  
**FROM:** Edward A. Karass, State Controller

The Internal Audit Division of the Controller's Office has conducted several reviews of Petty Cash Funds throughout State Government to determine that adequate controls are in place to ensure that the funds are used for the purposes for which they are intended, the proper internal controls are in place, and that the accounting for the funds is accurate. We have found many serious deficiencies in all of the aforementioned areas. This has prompted the release of Section 85.50 which provides guidance related to the use, internal controls, and accounting for Petty Cash Funds. Section 85.50 is effective immediately upon its release on September 12, 2005. The Internal Audit Division of the Controller's Office will be following up with each agency that has a petty cash account to ensure compliance with Section 85.50. The State Audit Department will also be examining these accounts to ensure compliance.

Section 85.50 is attached for your review and action. You may also find the text of 85.50 on our website included in SAAM.