

**AUDITOR OF STATE BULLETIN 99-019**  
**NOVEMBER 23, 1999**

TO: ALL SCHOOL DISTRICT TREASURERS  
ALL SCHOOL DISTRICT SUPERINTENDENTS  
ALL SCHOOL BOARD PRESIDENTS  
ALL VOCATIONAL SCHOOL DISTRICT TREASURERS  
ALL VOCATIONAL SCHOOL DISTRICT SUPERINTENDENTS  
ALL VOCATIONAL SCHOOL BOARD PRESIDENTS  
ALL INDEPENDENT PUBLIC ACCOUNTANTS

SUBJECT: PETTY CASH ACCOUNTS  
H.B. 220 (Eff. 11/2/99)

This bulletin informs school district treasurers, superintendents and boards of education of the recently enacted Sub. House Bill 220 and Ohio Rev. Code § 3313.291, which provide for the establishment of petty cash accounts by the board of education.

Prior to the enactment of Sub. H.B. 220 and Ohio Rev. Code § 3313.291, the Guidelines for Developing Policies for Student Activity Programs set forth a system of rules regarding petty cash accounts. The previous system permitted school board petty cash accounts only for small expenditures falling within established dollar amounts. In accordance with this system, all dollar amounts, locations and limitation of disbursements needed to be specifically addressed and all disbursements made by check required at least the signature of the treasurer.

Furthermore, the Guidelines for Developing Policies for Student Activity Programs advised school boards not to pay athletic official fees from the petty cash account. This advice stemmed from Ohio Rev. Code § 3313.51 which requires all school district moneys to be paid on a check signed by the treasurer. While Ohio Rev. Code § 3313.51 continues to impose restrictions on school district moneys, Sub. H.B. 220 and Ohio Rev. Code § 3313.291 expand school boards' authority regarding petty cash accounts.

Under the newly enacted Sub. H.B. 220 and Ohio Rev. Code § 3313.291, the board of education of a school district may adopt a resolution establishing a petty cash account from which a designated district official may draw moneys by check signed by that official or by debit card for purchases made within the district. The Revised Code requires that the resolution establishing the petty cash account:

- specify the maximum amount of money placed in the account;
- designate district officials who may draw moneys from the account or require the treasurer to designate such officials; AND
- specify the requirements and procedures for replenishing the account.

While Sub H.B. 220 and Ohio Rev. Code § 3313.291 appear to mirror the previous policy, the newly enacted law broadens school boards' authority and no longer prohibits school boards from paying athletic official fees from the petty cash account.

If you have any questions about this bulletin, please contact the Auditor of the State's Legal Division at (614) 752-8683 or (800) 282-0370.