



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB2708

Introduced 02/22/05, by Rep. Gary Hannig

SYNOPSIS AS INTRODUCED:

30 ILCS 105/13.3

from Ch. 127, par. 149.3

Amends the State Finance Act. Provides that all amounts in the petty cash fund at each Department of Revenue Facility may be retained on the premises of that facility (now, all amounts in any such fund of less than \$1,000 but over \$100 must be kept in a checking account in a bank or savings and loan association or trust company). Effective July 1, 2005.

LRB094 03735 BDD 33744 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Finance Act is amended by changing
5 Section 13.3 as follows:

6 (30 ILCS 105/13.3) (from Ch. 127, par. 149.3)

7 Sec. 13.3. Petty cash funds; purchasing cards.

8 (a) Any State agency may establish and maintain petty cash
9 funds for the purpose of making change, purchasing items of
10 small cost, payment of postage due, and for other nominal
11 expenditures which cannot be administered economically and
12 efficiently through customary procurement practices.

13 Petty cash funds may be established and maintained from
14 moneys which are appropriated to the agency for Contractual
15 Services. In the case of an agency which receives a single
16 appropriation for its ordinary and contingent expenses, the
17 agency may establish a petty cash fund from the appropriated
18 funds.

19 Before the establishment of any petty cash fund, the agency
20 shall submit to the State Comptroller a survey of the need for
21 the fund. The survey shall also establish that sufficient
22 internal accounting controls exist. The Comptroller shall
23 investigate such need and if he determines that it exists and
24 that adequate accounting controls exist, shall approve the
25 establishment of the fund. The Comptroller shall have the power
26 to revoke any approval previously made under this Section.

27 Petty cash funds established under this Section shall be
28 operated and maintained on the imprest system and no fund shall
29 exceed \$1,000, except that the Secretary of State may maintain
30 a fund of not exceeding \$2,000 for each Chicago Motor Vehicle
31 Facility, each Springfield Public Service Facility, and the
32 Motor Vehicle Facilities in Champaign, Decatur, Marion,

1 Naperville, Peoria, Rockford, Granite City, Quincy, and
2 Carbondale, to be used solely for the purpose of making change.
3 Except for purchases made by procurement card as provided in
4 subsection (b) of this Section, single transactions shall be
5 limited to amounts less than \$50, and all transactions
6 occurring in the fund shall be reported and accounted for as
7 may be provided in the uniform accounting system developed by
8 the State Comptroller and the rules and regulations
9 implementing that accounting system. All amounts in any such
10 fund of less than \$1,000 but over \$100 shall be kept in a
11 checking account in a bank, or savings and loan association or
12 trust company which is insured by the United States government
13 or any agency of the United States government, except that in
14 funds maintained in each Department of Revenue Facility,
15 Chicago Motor Vehicle Facilities, each Springfield Public
16 Service Facility, and the Motor Vehicle Facilities in
17 Champaign, Decatur, Marion, Naperville, Peoria, Rockford,
18 Granite City, Quincy, and Carbondale, all amounts in the fund
19 may be retained on the premises of such facilities.

20 No bank or savings and loan association shall receive
21 public funds as permitted by this Section, unless it has
22 complied with the requirements established pursuant to Section
23 6 of "An Act relating to certain investments of public funds by
24 public agencies", approved July 23, 1943, as now or hereafter
25 amended.

26 An internal audit shall be performed of any petty cash fund
27 which receives reimbursements of more than \$5,000 in a fiscal
28 year.

29 Upon succession in the custodianship of any petty cash
30 fund, both the former and successor custodians shall sign a
31 statement, in triplicate, showing the exact status of the fund
32 at the time of the transfer. The original copy shall be kept on
33 file in the office wherein the fund exists, and each signer
34 shall be entitled to retain one copy.

35 (b) The Comptroller may provide by rule for the use of
36 purchasing cards by State agencies to pay for purchases that

1 otherwise may be paid out of the agency's petty cash fund. Any
2 rule adopted hereunder shall impose a single transaction limit,
3 which shall not be greater than \$500.

4 The rules of the Comptroller may include but shall not be
5 limited to:

6 (1) standards for the issuance of purchasing cards to
7 State agencies based upon the best interests of the State;

8 (2) procedures for recording purchasing card
9 transactions within the State accounting system, which may
10 provide for summary reporting;

11 (3) procedures for auditing purchasing card
12 transactions on a post-payment basis;

13 (4) standards for awarding contracts with a purchasing
14 card vendor to acquire purchasing cards for use by State
15 agencies; and

16 (5) procedures for the Comptroller to charge against
17 State agency appropriations for payment of purchasing card
18 expenditures without the use of the voucher and warrant
19 system.

20 (c) As used in this Section, "State agency" means any
21 department, officer, authority, public corporation,
22 quasi-public corporation, commission, board, institution,
23 State college or university, or other public agency created by
24 the State, other than units of local government and school
25 districts.

26 (Source: P.A. 90-33, eff. 6-27-97; 91-704, eff. 7-1-00.)

27 Section 99. Effective date. This Act takes effect July 1,
28 2005.