

#### **45A.655 Imprest cash funds.**

- (1) Subject to the provisions of this code, any budget unit may establish one (1) or more imprest cash funds when provided for by appropriation or when authorized by the Finance and Administration Cabinet for the purpose of making disbursements requiring prompt cash outlay, and to carry out the provisions of this code. The State Treasurer, upon warrants of the Finance and Administration Cabinet based upon a requisition from the head of the budget unit, shall pay to the head of the budget unit the amount necessary to establish a fund.
- (2) A custodian shall be designated by the head of the budget unit and, after appropriate instruction and testing, certified by the Finance and Administration Cabinet as qualified to administer the fund. The custodian shall file with the Finance and Administration Cabinet a schedule of the disbursements from the fund as often as may be necessary to replenish the fund and at least once each month. The schedule of disbursements shall be accompanied by appropriate vouchers and statements of indebtedness therefor approved by the head of the budget unit, and by a certificate as to the condition of the fund. The amount of the total of the approved voucher shall be paid to the custodian of the fund on the warrant of the Finance and Administration Cabinet, and the amount shall be devoted to reimbursement of the fund. Any question relative to the amount to be allowed in any imprest cash fund, the expenditure thereof, the accounting thereof, and the repayment thereof to the State Treasurer, shall be determined by the Finance and Administration Cabinet.
- (3) The agency head shall be responsible for expenditures authorized from the funds, and the custodian shall be responsible for administration of the fund. Each agency head and custodian shall be separately bonded in the amount by which the total authorization for the fund exceeds the state blanket bond for such officials.
- (4) A post audit of each imprest fund shall be conducted as required by KRS 43.050.
- (5) Each imprest fund shall lapse with the appropriation on which it is based but may be reestablished by appropriation for the next ensuing year or when authorized by the Finance and Administration Cabinet.
- (6) If work not subject to the provisions of the law for competitive bidding is done on public projects by the state through the use of its own personnel or facilities in whole or in part, the budget unit having the work performed may, when authorized by the Finance and Administration Cabinet, establish an imprest cash fund for the purpose of defraying the expenses of the proposed project. This fund shall not exceed at any time an amount equal to twenty-five percent (25%) of the anticipated total cost of the project.
- (7) Imprest cash funds may be authorized by the Finance and Administration Cabinet to operate within the unified and integrated system of accounts, as defined in KRS 45.305. These funds shall allow agencies to record expenses into the statewide system and to write the check at the agency site. The reimbursement and reconciliation processes shall be performed by the Treasurer.

**Effective:** July 15, 1998

**History:** Amended 1998 Ky. Acts ch. 118, sec. 19, effective July 15, 1998. -- Created 1990 Ky. Acts ch. 496, sec. 7, effective July 13, 1990.