

Category: 200
Number: 214

Subject: **CASH ADVANCES TO OTHER FUNDS POLICY**

1. PURPOSE: The purpose of this policy is to prevent funds which often have temporary cash shortfalls caused by delays in collecting accounts receivable or higher than normal period expenditures funds from having negative cash balances on a temporary basis.
2. AUTHORITY: Gratiot County Board of Commissioners.
3. APPLICATION: This policy applies to the County Treasurer and the Departments, Agencies and Elected Officials who manage funds that run the risk of having a temporary negative balance.
4. RESPONSIBILITY: The County Treasurer is responsible for administering this policy.
5. DEFINITION(S): NONE
6. POLICY:
 - 6.1 The Board of Commissioners hereby approves authorizing the County Treasurer to advance up to \$100,000 from the General Fund to the various funds to maintain a positive cash flow balance and to be repaid when said funds receive excess cash.
 - 6.3 That any interest earned on cash advances in the various funds be credited to the General Fund.
7. ADMINISTRATIVE PROCEDURES: The County Treasurer in conjunction with the Administrator shall be responsible for developing, updating and implementing any associated administrative procedures not already stated in this policy.
8. ADMINISTRATOR/LEGAL COUNSEL REVIEW: The Administrator has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. The County Civil Counsel has determined that this policy as submitted complies with all applicable laws, rules and regulations.

Approved as to Substance:

Approved as to Legal Content:

Gratiot County Administrator

Gratiot County Civil Counsel