

Category: 200
Number: 242

Subject: CASH ADVANCES

1. PURPOSE: The purpose of this policy is to (1) prevent funds which often have temporary cash shortfalls caused by delays in collecting accounts receivable or funds which have higher than normal expenditures from having negative cash balances on a temporary (“Short Term”) basis and (2) to establish a process for authorizing continual (“Long Term”) cash advances from the General Fund to any funds/programs requiring capital for annual operations.
2. AUTHORITY: Saginaw 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 or require annual operating capital.
4. RESPONSIBILITY: The County Treasurer is responsible for administering this policy.
5. DEFINITION(S): NONE
6. POLICY:
 - 6.1.1 The Board of Commissioners hereby approves authorizing the County Treasurer to advance up to \$4,000,000 on a Short Term basis 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.
 - 6.1.2 That any interest earned on cash advances in the various funds be credited to the General Fund.
 - 6.2 The Board of Commissioners shall approve department’s requests for Long Term cash advance(s) to any fund, from the General Fund, for annual operations and acquisition of equipment with long term payback.
 - 6.2.1 The Board of Commissioners hereby affirms Long Term cash advances to the following funds:

Drain Commission	\$400,000
Jail Inmate Services	\$ 20,000
Mail Room	\$ 25,000

7. ADMINISTRATIVE PROCEDURES: The County Treasurer in conjunction with the Controller/CAO shall be responsible for developing, updating and implementing any associated administrative procedures not already stated in this policy.
8. CONTROLLER/CAO LEGAL COUNSEL REVIEW: The Controller/CAO 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. County Civil Counsel has determined that this policy as submitted contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

Approved as to Substance:
Saginaw County Controller/CAO

Approved as to Legal Content:
Saginaw County Civil Counsel

ADOPTED: November 23, 1999
AMENDED: April 16, 2013; February 16, 2016