§ 128-a. Petty cash fund. 1. The board of managers of a public general hospital may, by resolution, establish a revolving petty cash fund for any officer in such amount as the board may determine. Any such petty cash fund shall continue in existence from year to year until abolished by the board of managers.

2. Expenditures from the petty cash fund may be made only for payment, in advance of audit, of properly itemized and verified or certified claims for materials, supplies or services, other than employment, furnished to the hospital for the conduct of its affairs and upon terms calling for payment to the vendor upon the delivery of any such materials or supplies or the rendering of any such services; provided, however, that moneys in such fund also may be used for the purpose of making change when the same is required in the performance of official duties. At the time of any payment from such fund, the officer for whom the fund was established shall require delivery to him of a claim in form sufficient for audit as required by law. A list of all expenditures made from any such petty cash fund, together with the claims supporting such expenditures, shall be presented periodically to the board of managers for audit. The board of managers shall direct the treasurer to reimburse such petty cash fund from the appropriate budgetary item or items, in an amount equal to the total of such claims which it shall so audit and allow. Any claim or portion thereof which the board shall refuse to allow shall be the personal liability of the particular officer for whom such petty cash fund was established, who shall promptly reimburse the petty cash fund in the amount disallowed. If reimbursement has not been made by the time of the first payment of salary to such officer following the disallowance, the amounts disallowed shall be withheld from salary payment and, if necessary, subsequent salary payments, and paid into the petty cash fund until the same has been fully reimbursed.