



UNIVERSITY OF NORTH CAROLINA  
CHARLOTTE

# Petty Cash/Change Fund Policies & Procedures

February 2022

# Contacts/Resources

- **Petty Cash/Change Fund Officer** – General Accounting
  - Anikka Clarke (ext. 75787) Reese 228
- **Director of Materials Management** – Purchasing
  - Scott Brechtel (ext. 77329)
- **Disbursements Manager** – Accounts Payable, Travel & Complex Payments
  - Jerri Painter (ext. 75792)
- **Purchasing Card (P-Card) Administrator**
  - Annette Heller (ext. 75763)
- **Chartwells Resident District Manager**
  - Sarah Lynch (ext. 70692)
- **Internal Audit**
  - Jennifer Walker (ext. 75693)

# Policies Overview

- University Policy **602.3**, Petty Cash Fund and Change Fund Policy (Formerly Policy Statement # 39) can be found at:  
<http://legal.uncc.edu/policies/up-602.3>
- University Policy **601.8**, Appropriate Use of University Funds (Formerly Policy Statement # 33) can be found at:  
<http://legal.uncc.edu/policies/up-601.8>
- University Policy **101.18**, Gifts, Awards, & Prizes (Formerly Policy Statement # 116) can be found at:  
<http://legal.uncc.edu/policies/up-101.18>

# Policies Overview

- University Policy **602.7**, Travel Authorization & Reimbursement (Formerly Policy Statement # 126) can be found at:  
<http://legal.uncc.edu/policies/up-602.7>
- University Policy **706**, Alcoholic Beverages (Formerly Policy Statement # 57) can be found at:  
<http://legal.uncc.edu/policies/up-706>
- University Policy **709**, Food Service (Formerly Policy Statement # 71) can be found at:  
<http://legal.uncc.edu/policies/up-709>

# Policies Overview (Continued)

- University Policy **601.11**, Purchasing Policy  
(Formerly Policy Statement # 50) can be found at:  
<http://legal.uncc.edu/policies/up-601.11>
- University Policy **602.4**, Handling Cash, Checks, and Other Monetary Receipts  
(Formerly Policy Statement # 42) can be found at:  
<http://legal.uncc.edu/policies/up-602.4>

# Petty Cash/Change Fund Forms

- Forms can be found at:

<http://finance.uncc.edu/resources/forms>

## Petty Cash Fund Forms

- Petty Cash Fund Request
- Petty Cash Reimbursement/Recon
- Petty Cash Log

## Change Fund Forms

- Change Fund Request
- Change Fund Reconciliation

- Petty Cash/Change Fund Change of Custodian Form

# Definitions

- **Petty Cash Fund** – A supply of cash placed in the custody of an individual for the purpose of making immediate payments for the purchase of authorized items while conducting University business. The amount of cash on hand will vary depending upon use; therefore Petty Cash Funds require replenishment.
- **Change Fund** – A specific amount of money placed in the custody of an individual for the purpose of making change while conducting University business. The amount of cash on hand should remain the same at all times; therefore Change Funds do not require replenishment.

# Definitions

- **Petty Cash/Change Fund Officer** – A staff member of the University Controller’s Office who has the authority to disburse Petty Cash/Change Funds and administer the funds according to the policies and procedures established by the University. This officer must approve issuance of all Petty Cash/Change Funds.
- **Petty Cash Fund Custodian** – A full-time permanent employee of the University responsible for maintaining the security, accountability, appropriate use, and replenishment of a petty cash fund.
- **Petty Cash Fund Supervisor** – A full-time permanent employee of the University responsible for ensuring the proper execution of the Petty Cash Fund Custodian’s responsibilities and notifying the Petty Cash/Change Fund Officer if the Custodian leaves their current position.



# Definitions

- **Change Fund Custodian** – A full-time permanent employee of the University responsible for maintaining the security, accountability, and appropriate use of the Change Fund.
- **Change Fund Supervisor** – A full-time permanent employee of the University responsible for ensuring the proper execution of the Change Fund Custodian's responsibilities and notifying the Petty Cash/Change Fund Officer if the Custodian leaves their current position.

# PETTY CASH PROCEDURES

# Uses of Funds

## Petty Cash

- ***Purchase of low priced items from local vendors*** in the event the vendor does not accept purchase orders or purchasing cards, and processing a direct pay request would substantially increase the cost of the transaction.
- ***May only be used to obtain goods or services necessary to carry out official University functions according to University disbursement policies and procedures.***
- ***Limited to \$100 per purchase***, unless written approval for one-time exceptions or special exceptions granted by Director of Materials Management.
  - May **NOT** split purchase into smaller increments to avoid \$100 limit.
- ***Human subject payments of \$25 or less.*** Must be recorded & signed for on the *Awards & Other Gifts Log* and then attached to the Petty Cash Reimbursement Form under expense code 921160.

# Uses of Funds

Petty Cash MAY NOT be used to:

- Cash checks
- Reimburse credit card purchases
- Make loans
- Reimburse travel-related expenditures, including reimbursement of mileage or fuel purchases, parking fees, and/or tips while in travel status; or to make travel advances (See [Travel Authorization and Reimbursement](#))
  - **NOTE:** small parking fees or tips paid while not in travel status, but as part of university business will be allowed.
- Reimburse meals in restaurants or entertainment expenses of any amount
- Purchase alcohol (See [Alcoholic Beverages Policy](#))
- Pay wages for students or temporary employees, or overtime for any employee
- Provide floral tributes, small gifts and other tokens of appreciation, or prizes and awards. (See [Gifts, Awards, & Prizes](#))
- Purchase routine supplies that can be purchased from one of our contracted vendors listed on [49'er Mart](#) or with a [P-card](#)
- Purchase commercially prepared foods (See [Food Service Policy](#))
- Make purchases that would not be approved under the [Purchasing Policy](#)

# Establishing funds

- **Petty Cash Fund Request Form**

- Complete Custodian Information, Sections 1 and 3 of request form.
- Send form to Petty Cash Fund Officer - Anikka Clarke, General Accounting, Reese 228
- Once received/approved/processed, Petty Cash Fund Officer will send **Petty Cash Agreement** letter, which must be signed by Custodian & Supervisor and presented when picking up check.
  - Must have photo ID
  - Training must be completed before check is released
- Complete Section 5 of request form once training is complete and check has been released.
- Petty Cash checks for \$250 or less may be cashed at Cashier's Office. Notify Cashier's Office Supervisor of the denominations for any amount over the \$250 limit.

# Petty Cash Custodian Responsibilities

- Maintain funds on campus, unless off-campus use is approved by Petty Cash Fund Officer.
- Secure funds (See Next Slide)
- Ensure access to Petty Cash is limited to Custodian
- Inform Supervisor of location of funds
- Maintain accountability/accuracy (Petty Cash Log)
- Reconcile/replenish Petty Cash **MONTHLY**
- Comply with **Annual Renewal Agreement** process, due no later than May 31
- Make all documents available to Auditors and allow cash counts when requested by Auditors

# Securing Funds

- Funds must be secure at all times
- Must be kept in locked box in locked location on campus (i.e. desk drawer, file cabinet, vault, etc)
- **CANNOT** be commingled with personal funds in bank account, wallet, purse, etc.
- Repeated overages/shortages will result in the loss of Petty Cash Fund privileges

# Petty Cash Supervisor Responsibilities

- Ensure Custodian exercises responsibilities appropriately
- Notify PC/CF Officer when Petty Cash Custodian leaves the University
  - Close out Petty Cash fund if Custodian is not available
- Ensure Petty Cash overages/shortages are addressed and part of the employee's performance evaluation



# Accountability & Reconciliations

- Petty Cash Custodian must ***verify, reconcile***, and ***replenish*** petty cash funds **MONTHLY**, even if there have been no expenditures using Petty Cash Reimbursement Form.
- Discrepancies should be reported to Internal Audit and Petty Cash Fund Officer.
- If a theft is suspected, notify Campus Police immediately. Also notify Petty Cash/Change Fund Officer and Internal Audit.

# Reconciling/Replenishing Petty Cash Funds

- **Petty Cash Reimbursement Form**
  - Complete Sections 1 through 6 per Instructions tab
  - Send form to Petty Cash Fund Officer - Anikka Clarke, General Accounting, Reese 228, ***no later than the 10<sup>th</sup> business day of every month.*** Allow minimum of 10-14 days for processing.
  - Reimbursement Checks can be picked up at Cashier's Office
- **Original Receipts** - must show transaction date, name of establishment, itemized transactions, and total amount
  - If original receipt is not available, complete a **Missing Receipt Affidavit** for any purchases of \$25 or more.
- **Other possible attachments:**
  - Written Approvals from Materials Management or Food Services
  - **Food Beverage & Amenity Form**
  - Awards and Other Gifts Log

# Increasing/Decreasing/Closing funds

- **Petty Cash Fund Request Form**

- **To Increase funds**

- Complete Custodian Information, Sections 2A and 3 of request form.
    - Send form to Petty Cash Fund Officer - Anikka Clarke, General Accounting, Reese 228
    - Once received/approved/processed, Petty Cash Fund Officer will notify Custodian to come pick up check.
      - Must have photo ID
    - Complete Section 5 of request form once check has been released.

# Increasing/Decreasing/Closing funds

- **Petty Cash Fund Request Form**

- **To Decrease/Close funds**

- Complete Custodian Information, Sections 2B and 3 of request form.
    - Contact Petty Cash Fund Officer to confirm Fund # for making deposit. Complete Deposit Form using proper fund and account, along with the amount of cash being deposited. Deposit funds at Cashier's Office. Attach original receipt to request form and keep a copy for your records.
    - Send form and attached receipt to Petty Cash Fund Officer - Anikka Clarke, General Accounting, Reese 228
    - NOTE: The Petty Cash Fund **MUST** be totally replenished prior to closing a fund.

# Periodic Reviews

- All Petty Cash Funds are subject to unannounced audits and/or cash counts.
- The funds must be available at all times.
- Audit will be performed by a representative from Internal Audit.
- Petty Cash Fund Officer will periodically review funds for frequency of activity and notify Controller.
  - Controller has authority to recall a fund that remains inactive for six months, or is not being properly administered according to university policies and procedures.

# Change in Petty Cash Custodian

- Current Custodian, New Custodian and Supervisor will sign **Change of Custodian Form** and forward to Petty Cash Fund Officer.
- Present Custodian and New Custodian must verify funds are correct.
- New Custodian and Supervisor must submit a completed **Petty Cash Agreement** letter.
- Petty Cash Fund Officer will contact new Custodian for training on policy & procedures.

# Questions

- Contact Anikka Clarke, General Accounting, Reese building, Room 228
  - Ext 7-5787

# CHANGE FUND PROCEDURES



# Uses of Funds

## Change Funds

- Change funds are used to accommodate sales and allow for making change **ONLY**
- Cannot be used for reimbursement
- Cannot be used to cash checks

# Establishing funds

- **Change Fund Request Form**

- Complete Sections 1 and 3 of request form
- Send form to Change Fund Officer – Anikka Clarke, General Accounting, Reese 228
- Once received/approved/processed, Change Fund Officer will send **Change Fund Agreement** letter, which must be signed by Custodian & Supervisor and presented when picking up check.
  - Must have photo ID
  - Training must be completed before check is released
- Complete Section 5 of request form once training is complete and check has been released.
- Change Fund checks for \$250 or less may be cashed at Cashier's Office. Notify Cashier's Office Supervisor of the denominations for any amount over the \$250 limit.

# Change Fund Custodian Responsibilities

- Maintain funds on campus, unless off campus use is approved by Change Fund Officer.
- Secure funds (See Next Slide)
- Ensure access is limited to authorized departmental personnel, and inform supervisor of location
- Maintain accountability/compliance with policy 602.4
  - Display signage stating a receipt will be provided with each transaction (original receipt, not hand corrected)
  - Maintain **Receipt Book** obtained from Cashier's Office
- Reconcile and Deposit Change Fund daily
- Submit reconciliation to Change Fund Officer quarterly
- Make all documents available to Auditors and allow cash counts when requested by Auditors

# Securing Funds

- Funds must be secure at all times
- Must be kept in locked box in locked location on campus (i.e. desk drawer, file cabinet, vault, etc)
- **CANNOT** be commingled with personal funds in bank account, wallet, purse, etc.
- Repeated overages/shortages will result in the loss of Petty Cash Fund privileges

# Change Fund Supervisor Responsibilities

- Ensure only appropriate personnel have access to Change Fund
- Ensure daily deposits are accurate
- Ensure department policies/procedures are established
- Ensure compliance with **Annual Renewal Agreement** process, due no later than May 31
- Ensure Change Fund overages/shortages are addressed and part of the employee's performance evaluation

# Accountability & Reconciliations

- Change Fund Custodian must balance cash daily and deposit sales with the Cashier's Office daily.
- Custodian is required to count cash & submit a reconciliation to Petty Cash/Change Fund Officer quarterly.
- Receipts will be issued by pre-numbered receipts or tickets, use of cash register or within electronic system.
- Discrepancies should be reported to Internal Audit.
- If a theft is suspected, notify Campus Police immediately. Also notify Petty Cash/Change Fund Officer and Internal Audit.

# Increasing/Decreasing/Closing funds

- **Change Fund Request Form**

- **To Increase funds**

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    - Send form to Change Fund Officer - Anikka Clarke, General Accounting, Reese 228
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# Increasing/Decreasing/Closing funds

- **Change Fund Request Form**
  - **To Decrease/Close funds**
    - Complete Sections 2B and 3 of request form.
    - Contact Change Fund Officer to confirm Fund # for making deposit. Complete Deposit Form using proper fund and account, along with the amount of cash being deposited. Deposit funds at Cashier's Office. Attach original receipt to request form and keep a copy for your records.
    - Send form and attached receipt to Change Fund Officer - Anikka Clarke, General Accounting, Reese 228



# Periodic Reviews

- All Change Funds are subject to unannounced audits and/or cash counts.
- The funds must be available at all times.
- Audit will be performed by a representative from Internal Audit.

# Change in Change Fund Custodian

- Current Custodian, New Custodian and Supervisor will sign Change of Custodian form and forward to Petty Cash Officer.
- Present Custodian and New Custodian must verify funds are correct.
- New Custodian and Supervisor must submit a completed Change Fund Agreement.
- Petty Cash Officer will contact new Custodian for training on policy & procedures.

# Questions

- Contact Anikka Clarke, General Accounting, Reese building
  - Ext 7-5787