

UC Davis Policy and Procedure Manual

Chapter 330, Financial Management and Services

Section 46, Cashiering Change Funds

Date: 9/21/00

Supersedes: 8/1/97

Responsible Department: Accounting and Financial Services

Source Document: Business and Finance Bulletin BUS-49, Cashiering Responsibilities and Guidelines

I. Purpose

This section outlines policy and procedure regarding establishment and use of departmental change funds.

II. Policy

A. Purpose and use

1. The purpose of a change fund is to provide a constant amount of change, both currency and coin, at departments in which cash sales are made. The department withholds the change fund amount from its collections before they are deposited with a major cashiering station; the change fund is used for the next period's cash sales activities.

NOTE: A temporary change fund, i.e., a fund needed for 7 working days or less, may be obtained from Main Cashier's Office, Dutton Hall, by calling (530) 752-4581. [Exhibit A](#) must be completed and presented at the Main Cashier's Office before the change fund can be released.

2. The fund must be used in accordance with policy and procedure outlined in [Section 330-55](#), Departmental Cashiering Operations.
3. No expenditures of any kind may be made from change funds.
4. If one station has both a petty cash fund and a change fund, the two funds should be maintained separately.
5. Change funds that are over \$10,000 must be kept in dual custody. Dual custody requires two people to access the cash at any given time by physically restricting the access to the vault or safe. The physical restriction is achieved through the use of two different keys given to two different people or groups to access the change fund. When funds need to be accessed, the safe must be opened in dual custody; the transaction must be performed in dual custody; and when the transaction is complete, the safe must be locked under dual custody.
6. Cash in the fund may not be loaned to individuals or organizations for non-University business transactions.
7. If the change fund custodian chooses to distribute the change fund to individual cashiers, the distribution needs to be documented. The change fund custodian will still be ultimately responsible for the fund.

B. Relief from responsibility

1. If the custodian of the fund terminates University employment or transfers to another

position, the custodian is responsible for notifying the campus Accounting Officer and returning the fund to the Main Cashier's Office, Dutton Hall, or to the UCDMC Cashier's Office.

- a. If a successor is to be furnished a change fund, a new authorization from the campus Accounting Officer is required.
 - b. As an alternative, a Change Fund Change of Custodian Form ([Exhibit B](#)) should be completed at the department level and sent to Accounting & Financial Services--Internal Control. The purpose of this form is to document that the department head has approved the change of custodian, that the total of the cash equaled the specified amount of the fund, and that the new custodian is aware of his/her specific responsibilities related to the custody of the fund and has physically counted the fund.
2. If a custodian terminates University employment, neglects to return the change fund as prescribed in 1, above, and leaves the change fund in the department, the department head must deposit the change fund and obtain a receipt in the custodian's name.

C. Audits

1. Periodic audits of the change fund and methods of operation will be made by Accounting & Financial Services.
2. If a loss to the change fund occurs, it should be immediately reported in accordance with [Section 330-95](#) and also reported to Accounting & Financial Services--Internal Control to ensure the official accounting records are accurate.

III. Procedures for Requesting a Change Refund

Responsibility	Action
Department head	1. Completes Request for Cashiering Change Fund, Exhibit C , for desired amount; sends to campus Accounting Officer.
Campus Accounting Officer	2. Approves request and sends originator a letter of instruction. OR 3. Disapproves request and notifies originator in writing of basis for disapproval.
Accounting & Financial Services	4. If approved, initiates UC Davis Financial Information System (DaFIS) Direct Charge document, citing appropriate cashiering change fund account. 5. Issues check for approved fund in the name of the custodian.

IV. References and Related Policy

- A. UC Accounting Manual Chapter C-173, Cash: Cash Controls, 12/30/99.
- B. UC Business & Finance Bulletin BUS-49, Cashiering Responsibilities and Guidelines, 5/1/97.
- C. UCD Policy & Procedure Manual:
 - 1. [Section 330-55](#), Departmental Cashiering Operations.
 - 2. [Section 330-70](#), Cashiering Services at Major Cashiering Stations.