



Petty Cash and Change Funds Administrative Policy

Approved By: B. Hofler Milam, Senior Vice President for Finance and Administration & CFO
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Revisions: n/a
Type: Administrative Policy
Finance Policy Number: 3.6.04
Responsible Official: Associate Vice President for Finance and Controller
Related Policies: Departmental Deposit Administrative Policy
Business Expense Policy
Travel, Meals, and Entertainment Policy

Purpose

The purpose of this policy is to establish guidelines for the appropriate use of domestic petty cash and change funds while establishing internal controls to minimize the University's risk of financial loss.

Policy Statement

Wake Forest University maintains petty cash and change funds where needed for the convenience of paying for authorized incidental expenses or making change where cash is regularly received from customers. The approval and modification of these funds for departments that demonstrate an appropriate business need is the responsibility of FAS. Petty cash and change funds received by a department are considered loans from the general fund of the University and must be properly safeguarded by an established Fiduciary and returned when the fund is no longer being used and/or closed. The Fiduciary is responsible for the prudent management and handling of funds in accordance with University policy to include reconciling the fund on a regular basis, maintaining required records, replenishing the fund within approved levels, and reporting any theft immediately to University Police. Any missing funds will be charged to the responsible department or business unit.

Purpose and Use

Under no circumstances are funds to be used to cash personal checks, issue personal cash advances, reimburse personal expenditures, or borrow from either fund. In addition,

payments to vendors, employees, or individuals for services rendered and payments subject to reporting and withholding of taxes are prohibited.

Petty Cash Fund

The University maintains petty cash funds to allow for small dollar purchases or incidentals that cannot be transacted with a procurement card or other approved methods in an efficient and cost effective manner. The preferred procurement method for small business expenses is the University's procurement card. The University provides a petty cash fund that is located in the Cashier's Office at 107 Reynolda Hall to reimburse for appropriate business expenses that cannot be readily secured through normal University procurement methods. Departments must limit reimbursement from these funds to staff, faculty, or students for qualifying, small dollar expenses, or reimbursements. The limit for reimbursement through the petty cash fund is established in the accompanying administrative procedure.

Departmental petty cash funds will be established on the basis of demonstrated need and should not be used to in a manner that circumvents the University's procurement procedures. Financial and Accounting Services authorizes or modifies the establishment of all University petty cash funds. Each approved petty cash fund will be assigned a Fiduciary, who is responsible for reconciling the fund on a regular basis, maintaining required records for all disbursements that have been made from the fund, and replenishing the fund within approved levels.

Change Fund

The University maintains change funds for departments or offices that are required to provide change to customers who pay for goods or services with cash. Change funds are used in cash drawers to make change for on-going business such as retail outlets or sales (e.g. Reynolda Hall Cashier's Window, Deacon Shop, Athletics Ticket Office, Benson Ticket Office). Many times this fund may be referred to as "the till." Funds from cash drawers are not to be used for reimbursement of small dollar purchases, incidentals, or emergency business expenditures (see Petty Cash Fund).

Responsibilities

Primary Guidance

Travel, Meals, and Entertainment Policy

<http://finance.wfu.edu/policies-and-procedures>

Business Expense Policy

<http://finance.wfu.edu/policies-and-procedures>

Fraud Prevention, Awareness, and Importance of Internal Controls

Policy <http://finance.wfu.edu/policies-and-procedures>

Petty Cash and Change Funds (Domestic) Administrative Procedure

<http://finance.wfu.edu/policies-and-procedures>

Statement on Auditing Standards (SAS) No. 112: *Communicating Internal Control Related Matters Identified in an Audit*

Responsible University Office or Officer

Associate Vice President for Finance & Controller

Who is Governed by This Policy

All University faculty, staff, and students

Who Should Know This Policy

All faculty, staff, and students involved with petty cash funds and/or change funds, specifically:

- Petty Cash Fiduciaries and Financial Managers
- Change Fund Fiduciaries and Financial Managers
- Finance Division administrators and staff
- University Business Administrators

Exclusions & Special Situations

None

Highlights of Revisions, by Date

None

Contact(s)

<http://finance.wfu.edu/contact-us>

General Accounting Manager
Director of Accounts Payable
Cashier, Student Financial Services

Web Address for Policy

<http://finance.wfu.edu/policies-and-procedures>

Appendix and Forms

- Petty Cash and Change Funds (Domestic) Administrative Procedure
- Missing Receipt Affidavit
- Cash Fund Fiduciary Change Form
- Cash Fund Action Form
- Petty Cash Replenishment Request Form
- Monthly Petty Cash Reconciliation Form