

UNLV PETTY CASH/CHANGE FUNDS POLICY PROCEDURES AND GUIDELINES

A. PURPOSE:

Petty cash funds are approved under limited circumstances when other options are not available. Generally a P-Card can handle most petty cash expenditures. The Vice President and/or Dean may request the establishment of a working petty cash fund at any appropriate level, (i.e. division, department, office, or station). Petty cash funds must be formally requested and approved (see Section F below) and may not be independently created by holding back deposits or receipts for such use.

There are two types of cash funds approved for use at UNLV.

1. Petty cash funds - Cash funds established to provide individual departments small amounts of cash to make direct purchases.
2. Change funds - Cash funds established to provide service organizations with sufficient coin and currency to make change for operational purposes.

B. GENERAL CASH FUND CONTROLS:

1. All cash funds are set up with the approval of the Controller and funded from an appropriate Controller's Office account. The authorized amount for a Petty Cash/Change Fund will depend on the activity it will support.
2. All cash funds should be maintained under the control of a single employee designated as the custodian. The fund custodian is responsible for ensuring total value of the fund is always on hand and that the fund is used in the legally authorized manner. Additionally, the custodian must safeguard the fund and immediately report any discrepancies to the UNLV Controller. The fund should be counted and reconciled by the fund custodian regularly. (At least weekly)
3. The use(s) of each cash fund is subject to audit and periodic un-announced cash count by the Controller's Office and the Campus Audit Department. All counts will be documented on a reconciliation statement. The fund custodian must be present during all cash counts and audits. Any auditor requesting to count a fund should present proper identification. The fund custodian should contact the Controller's Office at 895-3517 if they have any questions regarding the identification of an auditor requesting to count a petty cash or change fund.
4. A petty cash fund is established to allow departments to make small cash purchases. Funds *are not authorized* for advances of any type, cashing of personal checks, loans, "IOU's", gifts, awards, etc.
5. Cash overages/shortages must be cleared, at a minimum, weekly. Any cash shortage of \$25.00 or more must be reported immediately, in writing, to the Controller. The memo must fully explain the circumstances that resulted in the shortage, and what corrective action is being taken. If there is a shortage due to theft, a police report must be filed with Public Safety immediately and a copy sent to the Controller. It is advisable that the custodian notifies the Vice President or Dean that requested the fund.
 - a. To replenish a cash shortage, a payment voucher for the amount of the shortage needs to accompany the notification memo. The custodian will enter the statement, "To replace cash shortage discovered on (date)", in the description field of the payment voucher. Shortages are refunded from a departmental account. If the shortage was due

to theft, the custodian should attach a copy of the police report to the payment voucher. After review, the Controller will authorize the payment voucher and forward it to Disbursements for processing or request more investigation.

b. The custodian should immediately clear a cash overage by depositing, with the UNLV cashier, the overage into a departmental account. The custodian should enter “overage (date found)” in the “description” field of the cash receipt. A copy of the cash receipt should be attached with supporting documentation.

6. All funds must be securely stored at all times. The fund amount determines the type of storage security necessary. Minimum fund security should include a locked cash box placed in a secure (lockable) cabinet or desk. To minimize possible theft or misappropriation, the fund custodian should maintain only one set of keys under his/her own care. In case of theft, the custodian must immediately file a police report with Public Safety.

7. The Controller may withdraw a fund authorization and close the fund if there are recurring shortages or the fund is not maintained in accordance with procedures and guidelines.

C. PETTY CASH FUNDS:

1. Petty cash funds are established to provide for small purchases that cannot be handled by use of a P-Card or through the Purchasing Office. Petty cash funds are for appropriate authorized purchases only and may not be used for any payments otherwise prohibited under any UNLV policy.

2. Operation of a Petty Cash Fund:

a. The amount of each fund will remain constant.

b. The fund will be reimbursed periodically, for the amounts paid out, upon presentation and surrender of satisfactory evidence of such disbursements.

c. The evidence will be submitted, along with a properly completed and approved payment voucher, to the Accounts Payable Department for review and processing.

d. The general fund reimbursement check will be made payable to the specific petty cash fund in care of the custodian. Example: (first line) Athletics Petty Cash Fund, (second line) c/o John A. Doe, Custodian. The check will be sent to the custodian when reimbursement processing is complete, unless there are other instructions on the payment voucher.

e. The amount of the reimbursement check should always be for the exact amount of the disbursements made from the funds. Replenishment for shortages or requests to increase the fund will be submitted separately.

f. Reimbursements need only be made as frequently as the fund requires replenishment, but no less than annually. However, all petty cash funds should be replenished near or at the close of the fiscal year (June 30th) to ensure that all expenditures are recorded in the proper accounting cycle.

3. Approved petty cash expenditures include but are not limited to:

a. Customary and ordinary supplies needed on an emergency basis that can't be purchased using the P-Card. Payment for entertainment and similar personal services

are not appropriate petty cash expenditures. All expenditures must be consistent with purchasing policies.

- b. Postage due, package and mailing.

Prior to any purchase, if in doubt whether the purchase is authorized or not, call the Vendor Team Supervisor (895-1157) and discuss the transaction. If approved, request a written approval be sent to the custodian. The approval should be attached to the receipt and reimbursement request.

D. CHANGE FUNDS:

1. Change funds should be established for any University and Community College System of Nevada (UCCSN) organization that makes direct sales of goods or services to the public. Change funds may also be established to provide change for vending machine operations.
2. The fund should be of sufficient amount to provide for a normal day's business activity.
3. The custodian should count and reconcile change funds at the end of each shift or business day. Overages and shortages should be recorded daily.
4. Business receipts should be deposited daily. (The Controller may grant exceptions to this policy on an individual basis.
5. Change funds will not be used to cash personal checks.
6. Change funds may not be used for any purchase of goods or service.
7. Checks must be immediately endorsed for deposit. Contact the Cashier's Office to obtain information on how to purchase an endorsement stamp.

E. OPENING A PETTY CASH/CHANGE FUND:

1. A Vice President or Dean may request a petty cash or change fund be established at any appropriate level, i.e., department, office, etc. The request must be in memo format to the UNLV Controller containing the following information:
 - a. Organization (department) where the fund will be established.
 - b. Justification for the fund.
 - c. The name, job title and telephone number of the designated fund custodian.
 - d. Where (building and room number) the fund will be stored.
 - e. The requested amount of the fund.
 - f. The length of time the fund will be needed.
2. Once the Controller has approved this request, a payment voucher will be completed and submitted to the Accounts Payable Department with the request to establish the fund. Accounts Payable will process the payment voucher and forward the check to the Controller.

3. The Controller will prepare a custody memorandum and make an appointment with the designated fund custodian. It is recommended that the custodian not be given signature authority for the account used to replenish expenditures or shortages by the fund. This permits another level of transaction review by the signature authority for the account. The fund custodian must make sure all information on the custody memorandum is accurate, sign for custody of the funds, and receive the check. The custodian should address any questions regarding the use and care of the fund at this time.

4. A Petty Cash or Change Fund must be transferred or closed prior to a fund custodian transferring to another department or receiving his/her final paycheck and clearance from the university.

F. REPLENISHMENT OF EXPENDITURES FROM A PETTY CASH FUND:

1. The fund custodian must prepare a payment voucher for all unpaid fund expenditures to date. This amount, when added to the cash remaining in the fund, should equal the authorized amount of the petty cash fund. The payment voucher will contain "Misc. Petty" as the vendor code; "(Department) Petty Cash Fund"; as the vendor name; c/o of the custodian's full name on the first address line; and UNLV - mail sort code on the second address line. For example:

Vendor Code: MISC PETTY
Vendor Name: UNLV Petty Cash Fund
Address 1: c/o John A. Doe, Custodian
Address 2: UNLV - 1234

It is recommended that the custodian not be given signature authority for the account used to replenish expenditures or shortages.

2. Use the appropriate object code and sub-object for the type of expense. If the expense was hosting-related, the custodian must charge the expense to an authorized host account.

3. Keep legible copies of all receipts paid by the petty cash fund for which the fund has not been replenished. Attach the original invoices/receipts to the payment voucher submitted to the Disbursement's Office. Acceptable receipts are those described in the UNLV receipts' policy memo. A copy of this memo can be obtained by calling Accounts Payable at extension #3822.

4. Invoices/receipts need to be entered individually on the payment voucher and not consolidated on a single accounting line. Only six (6) receipts/invoices may be entered on a single payment voucher.

5. Submit the payment voucher to Accounts Payable (Mail Sort 1053).

6. The replenishment check for the fund will be sent to the fund custodian, via campus mail, unless otherwise indicated on the payment voucher.

G. CLOSING A PETTY CASH/CHANGE FUND:

1. All outstanding expenditures must be replenished prior to closing a fund. The cash level must equal the authorized amount.

2. The fund custodian must deposit all cash into the Cashier's Office. The deposit will be recorded into the account that originally funded the petty cash/change fund. If the fund custodian has any questions regarding this deposit, contact the Controller at 895-3517.

3. The fund custodian must take the cash receipt to the Controller.
4. The Controller's representative will verify that the total of the cash receipt is equal to the authorized fund amount.
5. When the fund is reconciled, the Controller's representative will prepare a memorandum releasing the fund custodian of responsibility. The Controller's representative and custodian will sign the memorandum.

H. CHANGING A FUND CUSTODIAN:

1. All outstanding expenditures must be replenished prior to changing custodians.
2. The fund custodian must prepare a memorandum transferring custody of the fund to the new custodian. This memorandum will contain the name of the fund and the cash amount transferred. It must be signed by the previous custodian, the new custodian, and the Dean or Director of the department where the fund is housed. This memorandum must be forwarded to the Controller prior to the new custodian requesting replenishment of the fund.

I. ASSIGNING A TEMPORARY CUSTODIAN:

1. The permanent fund custodian must prepare a memorandum transferring temporary custody of the fund to the temporary custodian. This memorandum will contain the name of the fund, the cash amount transferred, and the dates of temporary custody. It must be signed by the permanent custodian, the temporary custodian, and the Dean or Director of the department where the fund is housed.