

Petty Cash/ Change Fund Policy

Policy Owner
Student Financial Services

Policy Contact
Student Financial Services
Cashier's Office

Date Revised:

Effective Date:
September 20, 2021

Associated Policy:
[Business Expense Policy](#)

Policy Statement

A change fund may be established for those University Departments where it is necessary to maintain a small amount of ready cash on hand. This includes departments that keep cash on hand to use in making change for customers. Departments will be responsible for the security and control of their change funds. The fund should be kept secure at all times in a locked box and in a locked area (such as a locked drawer or safe that is secured to the floor). Personal use or loans of this cash is not permitted and all disbursements must have adequate receipts and detail for verification.

This fund is not to be used for reimbursement of business expenses. Individuals requiring reimbursement for business expenditures less than \$100 should complete a "[Petty Cash Slip](#)" and submit the slip and supporting documentation to the Cashier's Office for reimbursement. Reimbursement for amounts greater than \$100 should be requested via an expense report in Workday. See the [Expenses & Reimbursement job aid](#) for assistance.

Reason for Policy

The policy describes the use of petty cash for appropriate business transactions, including the observance of internal controls over Change Funds, in order to minimize the University's risk of financial loss.

This Policy Applies To

This policy applies to all Bentley personnel responsible for the initiation, execution, and authorization of change funds, including the processing of all associated adjusting journal entries to the General Ledger.

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Procedures

A. Establishing Change Fund

1. Request for a Change Fund must be completed via a “Petty Cash Drawer Application/Change Form” (See Appendix A)
2. The application must be signed by the Custodian accepting responsibility for the fund as well as the Cost Center Manager indicating their approval for the requested Change Fund.
4. The Director of Student Financial Services must approve all Change Fund requests.

B. Responsibilities of Custodian

1. Safeguarding the funds - The fund should be the responsibility of one person, the Custodian, and secured in a locked location at all times. At no time should the Custodian keep the fund in their personal possession, deposit in their personal bank account, or take to their home for safekeeping. In case of theft, please notify University Police immediately.
2. Accounting for transactions – Disbursements and/or reimbursements are not allowed using the Change Fund. Deposits of excess cash should be supported by adequate documentation for the incoming receipt of cash.
3. Reconciling the funds – The Custodian must reconcile the change fund before replenishing, depositing, changing the Custodian or amount, and closing the fund.
4. Depositing funds. Funds must be reconciled and deposited with the Cashier’s Office when collected.

C. Revision of Existing Fund or Change in Custodian

1. Submit form “Petty Cash Drawer Application/Change Form” (Appendix A) to the Student Financial Services/Cashier’s Office for review and approval.
2. Funds must be completely reconciled and accounted for before the approval of any changes.

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D. Review of Change Funds

1. All change funds are subject to periodic audits. Periodically, individuals from the Cashier's Office will conduct surprise audits of the fund.
2. Finance and Internal Audit reserve the right to conduct surprise, onsite audits at any time.

E. Closing the Change Fund

1. If a department no longer requires a change fund, the fund must be reconciled and the cash must be deposited at the Cashier's Office.
2. A completed "Petty Cash Drawer Application/Change Form" (Appendix A) including Financial Unit Manager and Business Entity approvals should be submitted to Student Financial Services/Cashier's Office along with supporting documentation (receipts, etc.) reflecting accounting for the deposit of funds back with the Cashier's Office.

Definitions

Change Fund – An amount of cash held by a department or office and used to give change to customers when they are paying for goods or services. No purchases can be made from these funds.

Custodian – The financial unit requesting a petty cash fund must appoint a custodian who is responsible for safeguarding and maintaining the change fund. Maintaining the fund consists of disbursing funds, obtaining receipts, reconciling, and replenishing the fund. When the petty cash fund is no longer necessary, the Custodian is responsible for ensuring that it is reconciled and closed.

Petty Cash – Petty cash is cash used to reimburse individuals for small purchases where it is not reasonable to make a disbursement by check and purchases are impractical or unavailable through Procurement, Disbursements, or a Pcard.

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Appendix A – Petty Cash Drawer Application/Change Form

Department Name: _____

GL#: _____ - _____ - _____ - _____ - _____
Ledger Cost Center Fund Prog Rev/Spd Cat

Request For:

Amount:

- | | | |
|--------------------------|------------------|----|
| <input type="checkbox"/> | New Fund | \$ |
| <input type="checkbox"/> | Change in Amount | \$ |
| <input type="checkbox"/> | Close Account | \$ |

Purpose of the fund and the dollar amount requested:

Signatures

This fund is issued to the named custodian and cannot be transferred to another department or custodian without prior approval of Bentley University Student Financial Services. If for any reason a fund is no longer needed, the fund must be deposited at the Cashier's Office with a completed Petty Cash Drawer Application/Change Form, thereby terminating the responsibility of the custodian.

I accept responsibility for safeguarding the above stated cash fund. Additionally, I have read and understand the policies and procedures regarding petty cash/cash drawer funds.

Custodian

Email

Date

Cost Center Manager

Email

Date

Approval

SFS/Cashier's Office

Date