

CPTC Procedure: Change Funds

Definition

A change fund is established to make change and shall not be used to provide reimbursement for any expenditure.

Change funds are prohibited from being used for making loans of any type and may not be used for the cashing of personal checks.

Increasing Change Funds

Increasing an existing change fund requires a written request from the custodian. The request will be reviewed and approved/disapproved by the Vice President for Administrative Services. Approval will be based on need and volume of cashiering activity. Denied requests may be appealed to the Vice President for Administrative Services in writing.

Termination or Reduction of Change Funds

It is recommended that a change fund be surrendered if it will not be used for thirty (30) days or more. A change fund account may be eliminated or reduced at any time as determined appropriate by the Vice President for Administrative Services. In addition, the Vice President for Administrative Services may reduce or eliminate a change fund based on the fund inactivity or violation of change fund handling procedures.

To close a change fund, the change fund must be returned to the Administrative Services Office. If a shortage or an overage exists, the appropriate entry will be made to the cash shortage/overage account in the College's accounting system. The custodian or person handling the change fund shall complete a balancing form each time the change fund is balanced.

Security of Funds

All change funds must be maintained in a locked cash box and when not in use shall be kept in a secure place at one of the College's locations, preferably in a fireproof safe to prevent loss. Funds are not to be taken home or stored at a private residence or in a motor vehicle. Funds, even grouped funds, over \$1,000 must also be locked in a fireproof safe. Any further questions regarding security should be directed to the Vice President of Administrative Services. The custodian must sign for the change fund at the time of issuance to the custodian.

Audit Procedures

All change funds are subject to audit by the Vice President for Administrative Services or designee. Change funds are also subject to audit by external auditors. Audits may be scheduled or unannounced.

Loss of Schools Funds

Change fund losses shall be reported to the Vice President for Administrative Services, so that a complete investigation and report can be made of the circumstances involved.

If one or more of the following conditions are identified during the internal audit of the cash loss, the custodian may be held personally responsible for the total loss:

1. The creation of the change fund has not been properly registered and approved by the Vice President for Administrative Services.
2. The money in the change fund has been commingled with personal funds.
3. An on-going record of activity has not been maintained.

4. The money in the change fund has not been secured.
5. Payments have been made for purposes for which the change fund is not authorized (including, but not limited to: personal check cashing, travel advances, personal use, or petty cash transactions).

Accounting Procedure

The Vice President for Administrative Services shall maintain a permanent record detailing the activity of change funds. The record shall contain the date the change fund was issued, the amount of the change fund, and the signature of the custodian of the change fund.

Assistance

Questions concerning the handling and accounting policies established by the College should be directed to the Vice President for Administrative Services.

Inquiries and assistance pertaining to procedures involving change funds may be obtained from the Administrative Services Office.

Information related to the security of funds should be directed to the Vice President for Administrative Services.

Responsibility

The Vice President for Administrative Services has the overall responsibility of ensuring this procedure is implemented.

Adopted: February 27, 2014

Reviewed: November 14, 2022