

<b>Policies of the University of North Texas</b>	Chapter 10
<b>10.017 Petty Cash, Demand Deposits, Working Funds</b>	<b>Fiscal Management</b>

**Policy Statement.** Petty Cash funds, Demand Deposits, and Working Funds are established by the authority of the Controller or Vice President Finance and Business Affairs, or their delegated representative. To establish a cash fund, a justification should be submitted to the Payment Services Section of PPS for review. The justification should explain the need for the funds, identify the individual who will be responsible for the moneys, and state where the funds will be located and how they will be secured.

**Application of Policy.** All University

**Definitions.** None

**Procedures and Responsibilities.** Petty Cash funds, Demand Deposits, and Working Funds are established by the authority of the Controller or Vice President Finance and Administration, or their delegated representative. To establish a cash fund, a justification should be submitted to the Payment Services Section of PPS for review. The justification should explain the need for the funds, identify the individual who will be responsible for the moneys, and state where the funds will be located and how they will be secured. If the request is approved, the requesting department will be instructed to prepare a check request payable to the fund custodian. The fund custodian must be a fulltime employee of the University. If the request is not approved, alternative methods of solving the requesting department's needs will be addressed.

Petty cash funds and demand deposits accounts are maintained in an imprest basis, which means the amount of the fund will remain constant, and the custodian will be reimbursed by check when a check request with proper receipts is presented to the Payment Services Section. Custodians are required to balance the account routinely, and to request reimbursements on at least a monthly basis. Expenditures must meet the legal requirements for the fund group, and the moneys may not be used to circumvent current purchasing procedures. The funds are subject to surprise counts by the Internal Auditors. Detail instructions will be given to the fund custodian at the time the funds are established.

Working funds are change funds. The same controls for audit, accountability and security are required for the change funds as are required of Petty Cash and Demand Deposit accounts.

All transactions involving these funds, including returning cash or reporting overages/shortages, must be handled through the PPS Payment Services Section.

Any change in fund custodian or location must be reported to the Payment Services Section immediately by the deptid or projid holder or his/her designee. This includes name changes due to change in marital status or other legal action.

Loss or theft of state funds must be reported to the University Police and the Internal Auditors immediately. It is the responsibility of the University Police to conduct the criminal investigation and make reports as required within the scope of their authority. The Internal Auditors will conduct an audit of the fund and submit the audit report to the Vice President of Finance and Business Affairs.

The Vice President of Finance and Administration, or his designee when immaterial amounts are involved, will decide action to be taken within the scope of his authority or recommend to the appropriate level of authority action to be taken for disposition of the case.

When the determination is made as to relief of the party concerned with the responsibility, a check request should be processed and submitted to Payment Services to reinstate the funds lost. A copy of the police report and acknowledgment that internal audit has been alerted, is required as supporting documentation.

Responsible Party: DeptID or ProjID Holder; Purchasing and Payment Services

**References and Cross-references.** None

**Forms and Tools.** None

Approved: 1/1/1990

Effective:

Revised: 8/93; 8/97; 5/01; 11/05;

\*3/2011 format only