



UMBC PETTY CASH/CHANGE FUNDS PROCEDURES

I. PURPOSE FOR THE PROCEDURES

This statement sets forth UMBC campus procedures for administration of Petty Cash and Change Funds.

II. PROCEDURES

- A. A department or activity seeking to establish a petty cash/change fund must submit the UMBC Working Fund Check Request form along with a written request to the Manager of Business Services designating the custodian and justify the need, duration and amount of the fund. The written request should be signed by the departmental head or activity Director. Petty cash/change funds may be established either for a specific period of time or for an indefinite period of time if the requirements for the fund are of a permanent and continuing nature. Purchases from petty cash funds will be limited to no more than \$100.00. A department, unit, or activity Director may submit a written request and justification for an exception to the transaction limit to the Manager of Business Services. Exceptions will be reviewed and approved by the Associate Vice President for Financial Services or his/her designee.
- B. The department, unit or activity Director and custodian of the cash fund shall be jointly responsible for the accountability of the transactions, prompt return of the fund, and the safeguarding of the assets. Adequately secured physical facilities must exist to store the fund.
- C. Purchases made from petty cash funds are subject to University and State of Maryland purchasing guidelines and regulations as purchases made using Purchase Orders, Payment Request forms, and the State Procurement Card.
- D. The Director of each department, unit or activity requesting a cash fund must designate a specific individual to act as custodian of the cash. Each custodian will receive, and be required to sign a Petty Cash/Change Fund Memorandum of Understanding to indicate their understanding of the responsibilities and requirements as custodian of a cash fund. The respective Director will be required to sign to indicate acknowledgement of the custodian assignment and understanding of the policies and procedures associated with fund safekeeping.

- E. Access to the cash fund should be restricted to the custodian only. Cash funds are not transferrable. Any change in custodian will require a return of the fund and a subsequent reissuance to a new custodian once the fund is verified and reconciled.
- F. The Petty Cash Voucher form must be used to substantiate cash funds provided to employees for the subsequent purchase of agency related goods and services. The Petty Cash Voucher form must be signed and dated by the employee receiving the funds and should be maintained by the Fund Custodian. When returning with merchandise, detailed vendor receipts should be attached to the Petty Cash Voucher form.
- G. Each petty cash expenditure must be supported by both a vendor's detailed receipt and a Petty Cash Voucher form signed by the recipient. Vendor receipts and petty cash forms are to be kept in the fund until it is reimbursed. The total of (a) currency and coin on hand plus (b) the unreimbursed Petty Cash Voucher forms with vendor receipts attached should always equal the total amount of the fund.
- H. Requests for Petty Cash Fund replenishments must be reviewed and approved by the Fund Custodian's supervisor. The Petty Cash Voucher form(s) should be used to request fund replenishments and attached to the Working Fund Check Request form. The supervisor's documentation review must include a review of documents supporting disbursements from the Fund and consider the adequacy of support as well as the propriety of the expenditure. All expenditures from petty cash funds must be submitted to Business Services for reimbursement within 30 days of the purchase.
- I. The amount of a petty cash/change fund may be increased, provided the increase is justified, by submitting a written request to the Manager of Business Services. A petty cash fund may be reduced if transaction activity warrants a decrease in the total funds required. All petty cash/change funds, regardless of whether established for a specific period or indefinite period of time, must be returned to the campus Working Fund custodian when the fund is no longer needed.
- J. The custodian and the Director of each department, unit or activity with petty cash/change funds will be required to confirm annually to the Manager of Business Services:
 - 1. the amount of petty cash currency and coin on hand,
 - 2. the amount of unreimbursed petty cash expenditure requests and receipts on hand (petty cash only)
 - 3. the name of the fund custodian.

- K. Periodic unannounced cash fund counts will be conducted and documented by the Financial Services office.
- L. All forms mentioned herein can be found on Financial Services website under “Forms.” Questions regarding this procedure can be directed to the Business Services office at (410) 455-3288.

III. RELATED ADMINISTRATIVE PROCEDURES

University of Maryland, Baltimore County Working Fund Procedures.