

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**FISCAL POLICY**

**SUBJECT:** General Change Fund

**REFERENCE:** ICSUAM Policy 3102.04: Physical Protection of Cash and Cash Equivalents

**POLICY:** The University Student Union (USU) will maintain a \$1,800 general change fund in the Cashier's Office and at designated locations throughout the USU. The purpose of change funds is for USU departments to have sufficient cash on hand to provide change to USU customers who purchase goods and services from the USU.

The Cashier will be the designated custodian for the General Change Fund which is to be maintained in the Cashier's Office. Department managers are the custodians of the change funds at the assigned locations throughout the USU. Custodians sign the Change Fund Custodian Form acknowledging responsibility for the funds. The original Change Fund Custodian Forms will be kept on file in the Cashier's office.

All change funds must be locked up at all times when not in use.

*Recommended by the Finance Committee on November 06, 2015*

*Approved by the University Student Union, Board of Directors on November 16, 2015*

## **Business Services Change Fund Procedures**

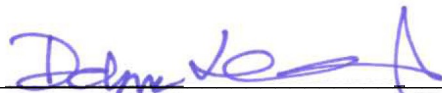
- I. Establishment of Change Funds
  - A. The General Change Fund will be established and maintained in the Cashier's Office and at other assigned USU locations.
  - B. Designated change funds will be supplied by cash drawn from the Cashier's Office General Change Fund. The established amount for each change fund will be determined by USU management and identified on the Petty Cash and Change Fund Reconciliation form.
  - C. The change fund totals will be recorded in account 111030 Petty Cash in the general ledger.
  
- II. Custodians of Change Funds
  - A. The Cashier will be the custodian of the general change fund in the Cashier's Office.
  - B. Department Managers of the designated locations will be the custodians of the change fund that corresponds to that department.
  - C. Department change funds will be documented and signed utilizing the Change Fund Custodian Form. The custodian forms will be filed in the Cashier's Office for audit purposes.
  
- III. Replenishment of General Change Funds
  - A. Replenishment for the General Change Fund will be made in the following manner:
    - Designated USU Locations Change Fund - the daily receipts from department operations.
    - Cashier Office Change Fund - ordering currency and coins directly from the USU's bank.
      - i. The Accounting Manager/designee are the only individuals to order cash directly from the bank.
      - ii. Cash can only be ordered directly from the bank when the General Change Fund is replenished. The maximum amount that can be ordered is the authorized amount of the fund.
  - B. The cash order documentation will be retained for four (4) years by the Cashier for audit purposes.
  
- IV. Internal Controls
  - A. Physical Security
    - i. Each change fund must be locked up at all times when not in use.
    - ii. In the event of theft, the loss must be reported immediately to the Associate Director of Finance & Business Services and the Executive Director.
  - B. Daily Cash Counts
    - i. Designated Locations
      - a. A daily cash count of each General Change Fund will be performed by the custodian in dual custody on a daily basis. In the absence of the custodian, a designee will be appointed by the management team member to whom the department manager (custodian) reports.
      - b. The signature and date on the Petty Cash and Change Fund Reconciliation form will verify that daily counts are being conducted.
      - c. Documentation of the daily cash counts must be retained for four (4) years for audit purposes.
    - ii. Cashier's Office
      - a. A daily cash count of the change fund will be performed by the custodian. The mitigating control is unannounced audits.
      - b. The signature and date on the Petty Cash and Change Fund Reconciliation form will verify that daily counts are being conducted.

- c. Documentation of the daily cash counts must be retained for four (4) years for audit purposes.
- d. The Cashier must give a copy of the reconciliation form to the Accounting Manager for review on a daily basis.

C. Audits Of Change Funds

- i. The Accounting Manager/designee will perform unannounced audits for each change fund, including reviewing the documents on hand.
- ii. The unannounced audits must be performed quarterly or more frequently, as deemed necessary by the Executive Director and/or Associate Director of Finance & Business Services/designee.
- iii. The audit results are to be formally documented in a memorandum to the Associate Director of Finance & Business Services/designee.
- iv. Major discrepancies must be disclosed immediately to the Associate Director of Finance & Business Services and the Executive Director.
- v. Documentation of the audits must be retained for four (4) years for audit purposes.

*This procedure was revised on November 16, 2015*

  
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Debra L. Hammond  
Executive Director

  
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Date