

CHANGE FUND INSTRUCTION FOR CUSTODIAN

Use and Operation

1. According to the Accounting Manual C-173, Change Funds are used to provide a constant amount of change, both in currency and in coins, at cash collection stations. Typically, departments that make cash sales have change funds. No expenditures of any kind may be made from Change Funds. If one station has both a petty cash fund and a change fund, the two funds should be maintained separately.
2. Overages and shortages in income must be reported separately. They are not to be cleared through change funds.
3. The Change Fund must be used for the purpose authorized and **NEVER** as a petty cash fund.
4. The Change Fund must be kept separate and must not be merged with any other funds.
5. Change Funds should never be used to fund personal use and should always remain on campus. Violations to this will result in the immediate recall of the Change Fund to Treasury Services.
- 6. The fund must be maintained with appropriate security, per UCLA's safe requirements that may be found in portal article 1004926.**
- 7. Please review UCLA's Policy 361 on Cash Handling Safety and Security.**
8. Any deviation from the outlined policies and procedures for the maintenance of the Change Fund may result in a recall of the fund.

Change Fund Audit

1. Periodic audits of the fund and methods of operation will be conducted by Treasury Services, Business and Finance Services, Internal Auditors, and/or External Auditors.
2. Auditors must show current credentials before the fund or records are relinquished for audit. The custodian should be present during the audit and should carefully observe the process because he/she will be asked to sign the audit report certifying to the findings and acknowledging return of the fund.
3. Treasury Services will also periodically distribute a *Change Fund Questionnaire* to verify the status and maintenance of the fund.

In the Event of Theft

1. The department should notify Campus Police immediately.
2. A letter from the department head requesting reimbursement of the fund must be sent to General Accounting including the following information:
 - a. Name of custodian
 - b. Change fund number
 - c. Amount of theft
 - d. Date and hour of theft
 - e. Circumstances involved
 - f. A copy of the police report assigned by Campus Police
 - g. Actions taken to prevent future occurrences
3. A request must be submitted, along with a letter, indicating Change Fund number, name of custodian, and proper departmental account to be charged.

Change Fund Forms

The following forms related to Change Funds are available on our website:

-CF Establishment/Increase Request

-Closure of Change Fund

-Reduction of Change Fund

-Transfer of Custody of Change Fund

Reference

1. Business and Finance Bulletin BUS-49, Cashiering Responsibilities and Guidelines
<http://www.ucop.edu/ucophome/policies/bfb/>
2. Accounting Manual, Cash and Banking Operation, C-173
<http://www.ucop.edu/ucophome/policies/acctman/>
3. UCLA's Policy 361: Cash Handling Safety and Security
<http://www.adminpolicies.ucla.edu/app/Default.aspx?&id=361>
4. Instructions and Forms are available at:
<http://www.accounting.ucla.edu/>