

Ferris State University

BUSINESS POLICY

TO: All Members of the University Community
DATE: February 2016

2016:08

Change Funds (Supercedes 2014:02)

Policy

This policy covers the process to establish and use Change Funds at the University.

Scope

These procedures cover the appropriate handling of Change Funds.

University Procedures

A. Change Funds

a. Definition:

1. Change Funds – This is a cash fund held in the custody of an employee designated by a dean or director. The fund is issued for the purpose of making change for cash purchases in a point of sale operation. At any given time the total of cash and cash receipts (e.g., checks) on hand must agree to the total of cash sales (e.g., manual or automated records) and the Change Fund amount.

b. Requests for Change Funds- Requests for Change Funds must designate a full-time employee as custodian, and be approved by the financial manager and the respective division head or his/her designee. Change Funds may not exceed the amount authorized by the Finance Office.

c. Verification of Change Funds

1. Change Fund balances should be verified by the department at the time the deposit is prepared for Student Financial Services.

2. All cash shortages/overages discovered during departmental verification need to be reported to the Accounting Office immediately.

3. Change Funds need to be verified on an annual basis to ensure proper cash handling and to ensure University assets are accurately accounted for. The annual review will be scheduled through the Accounting Office.

d. Discontinuation of Change Funds – If Change Funds are being discontinued, funds should be re-deposited at Student Financial Services using the Departmental/Miscellaneous Receipt form. The re-deposit shall be credited to the appropriate University department.

B. Record Retention – All records are to be maintained in accordance with the University Record Management Policy and Retention Schedule.

I. RELATED POLICIES, PROCEDURES and RELEVANT LINKS

- Records Management and Retention Schedule
- Change Fund Request Form – <http://www.edu/Accounting/forms.htm>
- Change Fund Verification Form – <http://www.edu/Accounting/forms.htm>

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