

Prepared by the Disbursing Office
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A8.800 Disbursing/Accounts Payable and Payroll

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A8.813 Procedures for a Change in Petty Cash Custodian or Alternate

1. Purpose

To provide procedures related to a change in the Petty Cash custodian or the alternate. The "Change in Petty Cash Custodian/Alternate" form, Form PC-2 (Attachment 1) is used to initiate the required action.

2. Responsibilities

- a. Each Campus/Department Office that requires appointment of a new Petty Cash custodian or an alternate is responsible for submitting the original Change in Petty Cash Custodian/Alternate form to the Disbursing Office.
- b. The Disbursing Office is responsible for coordinating the change requests internally with the University organization.
- c. The Internal Auditor's Office will update records for proper execution of responsibilities.

3. Guidelines

- a. The petty cash custodian and the petty cash alternate should be regular, full-time University employees. In many situations, the custodians and alternates are clerks, account clerks, etc., who can provide a safeguard (separation of duties) for petty cash operations.
- b. The duties of the custodian/alternate and the approving authority must be strictly segregated. Additionally, neither the Fiscal Officer nor the Campus/Department Head may be the custodian or the alternate. Where staff limitations make this separation of duties impossible, arrangements should be made with another University organization to provide for it. Designating a Fiscal

Officer as a custodian will be considered as a last resort measure, and allowed only if the Fiscal Officer does not authorize purchases and payments. Internal control against improprieties are strengthened by the separation of duties.

- c. All requests for appointment of a new petty cash custodian or an alternate must be approved by the Campus/Department Head (Dean/Director/Provost/ Chancellor/Vice-President) and the Fiscal Officer. The Fiscal Officer assumes responsibility for the proper execution of administrative duties while the Campus/Department Head is ultimately responsible for proper administration of the Petty Cash Fund and will be held accountable.

4. Procedures

a. Campus/Department Office:

- 1) Campus/Department Offices requesting changes in custodians or alternates must submit the original Change in Petty Cash Custodian/Alternate form to the Disbursing Office. It is especially important that changes to petty cash custodians be recorded in the system on a timely basis because all replenishment checks are issued in the custodian's name and therefore must be endorsed by that individual. If replenishment checks are issued to a custodian that is no longer available, the checks will have to be voided and replacement checks issued. Journal vouchers must be prepared by the campus/department unit to reverse the entries for the voiding of the checks (Refer to A8.641 - Journal Vouchers).
- 2) The appointed "New" custodian and/or the appointed "New" alternate are to be identified on the form and must provide signature specimens. These changes in appointments must be consistent with the guidelines for selection and separation of duties as specified in section 3 of this procedure.
- 3) For any change in custodian or alternate, a final cash count should be conducted by the (outgoing) custodian, and verified by the (outgoing) alternate, and the Fiscal Officer. If the newly confirmed custodian and/or alternate is also present and ready to assume the petty cash operation, he/she should also verify the cash count. If the newly confirmed custodian and/or alternate is not present, then, another cash count

should also be performed upon assumption of the petty cash operation by the (new) custodian and verified by the (new) alternate and the Fiscal Officer to document the transfer of responsibility and accountability (Refer to A8.819 - Cash Counts of the Petty Cash Fund). The Cash Count Sheet, Form PC-4 (Attachment 2) to transfer responsibility and accountability must be submitted to the Disbursing Office upon approval of the requested change in custodian/alternate.

b. Disbursing Office:

- 1) Upon approval by the Director of Financial Operations, a copy of the approved Change in Petty Cash Custodian/Alternate form will be transmitted to the Campus/Department Head.
- 2) A copy of the approved Change in Petty Cash Custodian/Alternate form with the new signature specimen will also be sent to the First Hawaiian Bank - University branch to update the authorization file if a change in custodian is involved. Manoa Campus custodians should cash their advance and replenishment checks at this institution while other campus custodians should deal with First Hawaiian branches and have them contact the University branch for signature verification if required.

c. Internal Auditor's Office:

The Internal Auditor's Office will update records for proper execution of responsibilities.

5. Detailed Instructions for Completing the "Change in Petty Cash Custodian/Alternate" form (Form PC-2).

- a. Requesting UH Campus/Dept: Enter the appropriate campus or department (e.g. Agr-Bio Chem; Honolulu CC).
- b. Date: Enter the month, day, and year on which the form is being submitted (e.g. 03/31/96).
- c. New Custodian Signature Specimen and Name, Former Custodian Name: The new custodian signature specimen and name are required for any requested change in custodian. The former custodian must also be identified.
- d. New Alternate Signature Specimen and Name, Former Alternate

Name: The new alternate signature specimen and name are required for any requested change in alternate. The former alternate must also be identified.

- e. Vendor Code: Enter the 11 digit vendor code (X _ _ _ _ _ _ _ _ _ _) assigned to the custodian.
- f. Effective Date of Replacement: Enter the month, day, and year of the effective date of the replacement action (e.g. 06/30/96).
- g. The Dean/Director/Provost/Chancellor/Vice-President and the Fiscal Officer are to sign and date the completed form to certify approval of the request and to certify provision for separation of duties and custodian/alternate familiarity with petty cash procedures. Indicate the Name/Title of the above signature, the Fiscal Officer's code and telephone number.

Note: Do not fill in the bottom portion of the form. Central Office approval signatures will be reflected in this section.

6. Availability of Forms

The Change in Petty Cash Custodian/Alternate form (Form PC-2) and Cash Count Sheet (Form PC-4) should be reproduced as required.

Change in Petty Cash Custodian/Alternate

Requesting UH Campus/Dept.: _____ Date: ____/____/____

Custodian : _____
New Custodian Signature

New Custodian Name (Print or Type) Former Custodian name (Print or Type)

Alternate : _____
New Alternate Signature

New Alternate Name (Print or Type) Former Alternate Name (Print or Type)

Vendor Code : X Effective Date of Replacement : ____/____/____

I certify that provisions have been made for the separation of duties and that the custodian and the alternate are completely familiar with petty cash procedures.
I certify approval of the requested action.

Signature-Dean/Director/Provost/Chancellor/Vice-Pres. Date Fiscal Officer Signature Date

Name/Title (Print or Type) F. O. Code Phone #

DISBURSING OFFICE USE ONLY

Vendor Code: X Pre-Audit Clerk: _____ Reviewed by: _____
Director of Disbursing Date

Established Fund Account No.: _____ Approved by: _____
Dir. of Financial Operations Date

General Instructions: Submit the original document to the Disbursing Office. The Cash Count Sheet (Form PC-4) to transfer responsibility and accountability must also be submitted to the Disbursing Office upon approval of the requested change in custodian/alternate.

UNIVERSITY OF HAWAII Cash Count Sheet

UH Campus/Dept.: _____	Date of Cash Count: ____/____/____
Vendor Code: <u>X</u> _____	Location of Fund Bldg./Room #: _____
Custodian Name: _____	Position Title: _____
Alternate Name: _____	Position Title: _____
Fiscal Officer Name: _____	F.O. Code: _____

I. CASH

Coins : \$ 0.01 x _____ = _____ .05 x _____ = _____ .10 x _____ = _____ .25 x _____ = _____ .50 x _____ = _____	Currency : \$ 1.00 x _____ = _____ 2.00 x _____ = _____ 5.00 x _____ = _____ 10.00 x _____ = _____ 20.00 x _____ = _____
(1) TOTAL CASH.....\$ _____	

II. CHECKS NOT CASHED (use back if necessary)

Check #	Date	Amount
		\$ _____
		\$ _____
		\$ _____
(from back if necessary)		\$ _____
(2) TOTAL CHECK AMOUNT.....\$ _____		

III. OUTSTANDING ITEMS

Replenishment Claims in Transit	\$ _____
Disbursements Not Claimed	\$ _____
Individual Advances	\$ _____
(3) TOTAL OUTSTANDING ITEMS.....\$ _____	

IV. TOTAL

Total of (1), (2), and (3).....	\$ _____
ADD Shortage/DEDUCT Overage.....	\$ _____
DEDUCT Temporary Increase.....	\$ _____
Permanent Authorized Fund Amount.....	\$ _____

I certify that the information provided above on the cash count of petty cash funds is true and correct.

Signature - Custodian	Date	Signature - Former Custodian	Date
Signature - Alternate	Date	Signature - Former Alternate	Date
Signature - Fiscal Officer	Date		

General Instructions: The custodian and the alternate (verification) signatures are required for all cash counts. Custodian/Alternate cash counts are required at least weekly, preferably daily. Former custodian/alternate signatures are required only if a change in custodian/alternate is initiated and all individuals are present for the transfer of responsibility and accountability. Otherwise separate cash counts are required for the new custodian/alternate and the former custodian/alternate. The Fiscal Officer's signature is required for any cash count related to a change in custodian/alternate. The Fiscal Officer's signature is also required on the unannounced cash count that must be conducted by the fiscal officer at least once a year.