

SECTION 15: CASH

Add Change Fund

INTRODUCTION

Add Change Fund provides detailed procedures for establishing a new change fund. Change funds are used to provide correct change to cash customers, and are generally approved for use in agencies where collections of coin and currency are regularly received. Refer to the *Alaska Administrative Manual (AAM) 50.220 – Change Funds* for more information.

The number of change funds needed by an agency depends on the number of locations where coin and currency collections are regularly received. Requests to establish a new change fund must be approved by the Division of Finance.

AKSAS TRANSACTIONS

- 310-54: Petty Cash Warrant Request
- 505-10: Add Vendor
- 610-10: Add Ledger Code

PROCEDURES

I. Determine the amount of the new change fund.

Estimate the dollar amount of change needed to facilitate cash collections. The amount of the change fund depends on the frequency of cash collections and deposits, and the denominations of change needed.

II. Request a new change fund.

- A. Submit an email requesting a new change fund to the Division of Finance, Accounting Services, Petty Cash Accountant. The email is sent by the department's Finance Officer and must include the following:
 - reason for establishing the fund,
 - work location where the fund will be established,
 - custodian's name, and
 - dollar amount required.
- B. The Division of Finance reviews the request for appropriateness and necessity. The Accounting Services, Petty Cash Accountant contacts the agency Finance Officer if the request is denied.

III. Process a 610-10: Add Ledger Code transaction.

- A. Find the next available petty cash/change fund ledger code number (LC) for your department.
 - 1. From the AKSAS Main Menu, select **IE** (ENTITY AND/OR CC/LC INQUIRY).

SECTION 15: CASH, ADD CHANGE FUND

2. In the COLLOCATION CODE/LEDGER CODE INQUIRY section, enter **X** next to the **CC/LC AUTOCODER**, and enter **LC** in the field.
 3. In the **LIST TYPE** field, enter **C**.
 4. In the **PROJECT** field of the SEARCH ENTITIES section, enter **991XX** (XX = Department Number).
 5. In the SORT SEQUENCE section, enter **X** next to **CONTRACT**, and leave the field blank. Press <Enter>.
 6. A list of petty cash fund/change fund ledger codes displays. Review the list and find the last ledger code number in the sequence. Add the next number in the sequence.
- B. Using a structural transaction batch, access the 610-10: Add Ledger Code transaction screen to add the new ledger code. Enter data as follows:
1. **LEDGER CODE** – Enter the ledger code number.
 2. **ACTIVE** – Enter **Y**.
 3. **DESCRIPTION SHORT** – Enter **PCF** and the custodian’s name.
 4. **DESCRIPTION LONG**:
 - a. On Line 1, re-enter **PCF**, the custodian’s name, and **Change Fund Custodian**.
 - b. On Line 2, enter the physical location of the fund.
 - c. On Line 3, enter the custodian’s PVN.
 5. **REPORTS TO PROJECT** – Enter the department project number **991XX**, (XX = Department Number).
- C. Submit the transaction for certification and/or dual authorization according to department procedures. Refer to *Section 2: AKSAS Security & Authorities, Certifying Officer Authority* for more information.

IV. Process a 505-10: Add Vendor transaction.

- A. Find the next available change fund Pay Vendor Number (PVN) for your department. Petty cash and change fund vendors are referred to as “PCF Vendors.”
1. From the AKSAS Main Menu, select **IV** (VENDOR INQUIRY).
 2. Enter **X** in the VENDOR SEARCH field.
 3. In the **VENDOR NUMBER** field, enter **PCFXX** (XX = Department Number). Press <Enter>.
 4. A list of PCF Vendors displays. Review the list and find the last PCF Vendor number in the sequence. Add the next number in the sequence.
- B. Using a financial transaction batch, access the 505-10: Add Vendor transaction screen, and complete the fields as described in *Section 10: Vendors, Add Vendor* and the following criteria:

SECTION 15: CASH, ADD CHANGE FUND

1. **VENDOR NUMBER** – Enter **PCFXXYYY**, where XX is the department number, and YYY is the department's next PCF Vendor sequential number.
 2. **VENDOR DESC SHORT** – Enter **PCF** and the custodian's name.
 3. **VENDOR DESC LONG:**
 - a. On Line 1, re-enter **PCF**, the custodian's name, and **Change Fund Custodian**.
 - b. On Line 2, enter the physical location of the change fund.
 - c. On Line 3, enter the change fund ledger code.
 4. **TAX ID NUMBER** – Leave blank. As of 7/1/03, Tax ID Numbers are not recorded for PCF Vendors.
- C. Submit the transaction for certification according to department procedures. Refer to *Section 2: AKSAS Security & Authorities, Certifying Officer Authority* for more information. The transaction will also be dual authorized by the Division of Finance. Refer to *Section 10: Vendors, Add Vendor* for more information.

V. Process a 310-54: Petty Cash Warrant transaction.

- A. Using a financial transaction batch, access the 310-xx: Add Warrant Request transaction screen. For more information on entering this transaction, refer to *Add Petty Cash Fund procedures, 310-54: Petty Cash Warrant Request Screen and Field Entry Table* in this Section. Complete the fields as follows:
1. **TRANS CODE MINOR** – Enter **54**.
 2. **WRT CLASS** – Enter **GN**.
 3. **ADD'L AUTH RD** – Enter **195**.
 4. **WARRANT AMOUNT** – Enter the amount of the change fund.
 5. **ROUTING CODE** – Enter **M** (to have the warrant mailed directly to the custodian), or **A** (deliver warrant to the agency person identified in the ROUTING RD CODE field).
 6. **ROUTING RD CODE** – If ROUTING CODE = A, enter the AKSAS RD code of the person in the agency who should receive the warrant. If ROUTING CODE = M, leave this field blank.
 7. **REF TYPE 1** – Enter **PVN**.
 8. **REF NUMBER 1** – Enter the PVN of the PCF Vendor established in Step IV.
 9. **REF TYPE 2** – Optional. Enter **UDR** if additional references are needed according to departmental procedures. ONLY reference type UDR may be used for additional references. Use additional reference lines as necessary.
 10. **REF NUMBER 2** – Optional. Enter reference numbers and or text according to departmental procedures. Use additional reference lines as necessary.
 11. **CC** – Enter **50010080** (Imprest Cash).
 12. **LC** – Enter the ledger code established in Step III.

SECTION 15: CASH, ADD CHANGE FUND

13. **ACCT** – Enter **10080** (Imprest Cash).

***NOTE:** Reference types INV, IND, BIL, and STM should not be used in 310-54: Petty Cash Warrant transactions. Use only reference type UDR for any desired reference numbers and or text.*

- B. Submit the transaction and associated backup to the Division of Finance for dual authorization, and to appropriate departmental staff for certification. Refer to *Section 2: AKSAS Security & Authorities, Certifying Officer Authority* for more information.
 - 1. 310-54: Petty Cash Warrant transactions require both dual authorization by Division of Finance RD code 195, and certification by departmental staff.
 - 2. Associated backup should include a copy of the Finance Officer's email request to establish the fund, screen prints of the transaction, and screen prints of the ledger code and PCF Vendor added in Steps III and IV.

VI. Safeguard cash.

Once the transaction is certified, a warrant is produced and mailed or routed to the change fund custodian. The custodian must cash the warrant, obtaining a variety of bill denominations according to anticipated change needs.

- A. Store the cash in a secure location, such as a locked filing cabinet, vault, or safe. Keys and/or combinations must also be secured at all times.
- B. Maintain a record of personnel having knowledge of safe or vault combinations, or who possess keys to devices where cash is stored.