

**Cash and Cash Alternatives Payment Methods Policy Revision**  
(Renamed from Petty Cash and Change Funds)  
Summary of Changes Effective January 7, 2021

Current [Petty Cash and Change Funds](#) policy.

### **Summary of Substantive Changes**

- Changes policy name from Petty Cash and Change Funds to Cash and Cash Alternatives Payment Methods.
- Adds additional programs/funds including bank change orders, ePayments, and single use and reloadable pre-paid cards (Policy Details III, p. 2).
- Adds guidance on custody and security of funds (Procedure III, p. 2).
- Clarifies custodian and backup custodian responsibilities (Procedure IV, p. 3).
- Requires policy waivers to be approved in advance (Procedure VII, p. 3) and addresses policy violations (Procedure VIII, p. 3).

### **Individual Substantive Changes**

#### **Purpose of the Policy (Page 1)**

- Adds specific mention of bank change orders, ePayment programs, and single-use and reloadable pre-paid cards.

#### **Definitions (Page 1)**

- Updates current definitions: change fund, petty cash fund
- Adds new definitions: bank change order, cash and cash alternatives (fund/program), custodian, ePayment program, exception, senior fiscal officer, single-use and reloadable pre-paid card, unit, unit leader, waiver.

#### **Policy Details (Page 2)**

- Adds that all funds/programs must comply with university policies with special attention to [Expenditures](#) and [Fiscal Stewardship](#) and that segregation of duties is required (Policy Details I, p. 2).
- Adds that the Controller's Office and Financial Services can close a fund/program at their discretion (Policy Details II, p. 2).
- Adds that unit use of bank change orders, ePayment programs, and single-use and reloadable pre-paid card programs must be approved in advance by Financial Services and that required program controls must be in place at the time the program is implemented (Policy Details III, p. 2).
- Adds that petty cash funds can only be used for the originally approved purpose of the fund, and must be used only when other payment forms (e.g., PCard) are not available (Policy Details IV, p. 2)
- Adds to the list of prohibited uses of petty cash funds: cash advances to employees, employee reimbursements, and loans (Policy Details V, p. 2).

#### **Procedure (Pages 2-3)**

- Updates the requirements for establishing, closing, or modifying an established fund/program (Procedure I-II, p. 2).
- Adds a new section on *Custody and Security* (Procedure III, pp. 2-3).
- Clarifies that the backup custodian has the same responsibilities as the custodian when the custodian is not available (Procedure IV, p 3).
- Updates the requirements for fund/program reconciliation and oversight (Procedure V-VI, p. 3).
- States that the Controller's Office oversees and regularly reviews petty cash and change fund general ledger balances (Procedure V.B, p. 3).
- States that Financial Services oversees and regularly reviews bank change orders, ePayment programs, and single-use and reloadable pre-paid card programs (Procedure V.C, p. 3).

- Requires that the [Business and Finance University Policy Waiver Request](#) be approved in advance by the Office of Business and Finance (Procedure VII, p. 3).
- Identifies consequences for policy violations (Procedure VIII, p. 3).

**Responsibilities (Page 4)**

- Updates the table to reflect the responsibilities of offices or positions as required by the policy.

**Resources (Pages 5)**

- Lists all resources referred to in the policy.

**Contacts (Pages 5)**

- Lists all offices referred to in the policy and their contact information.