

Imprest Fund Management

For Accounting Questions

Phone: 471-8802

E-Mail: oa.askme@austin.utexas.edu

<http://www.utexas.edu/business/accounting>

TABLE OF CONTENTS

I.	Introduction	
	A. Types of Petty Cash Funds	1
	B. Requesting an Imprest Fund	1
	C. Responsibility	2
	D. Fund Documentation	2
	E. Check Logs.....	2
	F. Transferring Cash.....	3
	G. Security.....	3
II.	Imprest Fund Procedures	
	A. Purchases.....	3
	B. Cash Funds	3
	1. Obtaining Cash for a Purchase	3
	2. After the Purchase.....	4
	3. Replenishing the Fund	4
	4. Reconciling the Fund.....	4
	C. Bank Accounts.....	4
	1. Obtaining a Check for a Purchase	4
	2. After the Purchase.....	5
	3. Replenishing the Fund	5
	4. Reconciling the Fund.....	5
III.	Preparing Reimbursement Vouchers	
	A. Reimbursement Voucher Standards.....	6
	B. Examples	7
	1. Electronic Vouchers (VP2 Documents)	7
	2. Manual Vouchers.....	8
	3. Requirements for Manual & Electronic Vouchers.....	9
IV.	Reconciling Bank Accounts	
	A. Reconciliation Sheet.....	12
	B. Fund Over or Short.....	13
	C. Attachments	13
	D. Unreconciled Checks/Deposits.....	13
V.	Resources	
	A. Office of Internal Audits	13
	B. Cash Management.....	14
	C. Accounts Payable	14
	D. Classes	14
	Appendix I: Glossary	15
	Appendix II: Example Forms.....	17

I. Introduction

A. Types of Petty Cash Funds (HFP Section 2 2.1, 2.2)

Two types of petty cash funds may be established: change funds and imprest funds.

Change funds are for change-making operations involving receipts (sales, fees, deposits, etc.) and should always contain cash or cash in transit for change.

Imprest funds allow the immediate purchase of emergency items necessary to the department's operations. These funds may be managed as cash or through bank accounts. These funds are generally made up of cash, reimbursement vouchers in process, and evidence of disbursements (paid receipts) equal to the amount of the fund. The fund may also be used for making change.

This outline provides details on imprest fund management. Change fund management is covered in the Administrative Procedure Workshop, Cashier Training (see Chapter V, Resources, for more information).

B. Requesting an Imprest Fund (HFP Section 2 1.1, 2 3.1, 3.2)

Imprest funds are provided only by approval with the chief business officer. Special imprest bank accounts are established only by approval of the System Comptroller.

A written request to establish the fund should be sent to the Associate Vice President & Business Manager. The letter must include the:

- proposed use, internal control, and specific limitation;
- desired amount;
- security arrangement;
- physical location of the fund;
- custodian name(s) and titles;
- approval of the director, appropriate dean, or vice president.

After the fund is approved, the Office of Accounting will prepare and process a voucher and the custodian will be mailed a check. The custodian's endorsement should include signature, title, and department. The check may be cashed either at the Bursar's office or at a bank. Note: If a bank account is setup, the check will be made out to the bank and deposited by the Office of Accounting.

After the imprest fund is established, proper cash handling procedures (as outlined in the Handbook of Fiscal Procedures, Chapter 1) must be observed. Portions from the HFP are listed in the following sections.

C. Responsibility

(HFP Section 1 1.1, 1.11, 1.12, 1.14)

Each department is accountable for every imprest fund its been assigned. Petty cash is not to be viewed as money to be used up. If the fund is ever closed out, the full amount of the fund must be returned to the Office of Accounting.

Each department is responsible for maintaining the official records of the imprest fund. These records include the original bank statements (for bank accounts), copies of reimbursement vouchers with corresponding backup, copies of reconciliation papers, and internal records showing transaction flow (i.e., money in, money out). Original records must be kept on file in accordance with University guidelines. No records should be destroyed without consulting the Business Manager's office first.

Form AC217-5 should be used to make changes to the fund (custodians, location of the fund, etc.). The form must be signed by the responsible person and returned to the Office of Accounting. A copy of the form is included in Appendix II.

Each department head which accepts cash or checks for any purpose must ensure that proper cash handling and accounting procedures are followed. Cash handling requires special control measures which must be monitored continually by supervisory personnel to detect weaknesses. It is the specific responsibility of supervisory level personnel to review cash handling documents which are prepared by personnel reporting to them. Anything that appears questionable should be investigated carefully.

One seemingly insignificant weakness can result in a substantial loss. The following cash controls should be adhered to. Contact the Office of Internal Audits for additional information about internal controls.

D. Fund Documentation

(HFP Section 1 1.1, 1.11, 1.12, 1.14)

Each department using an imprest fund shall maintain documentation on file which includes:

- a cash handling procedure for the department;
- an authorization for each petty cash fund used by the department;
- records to indicate who has been assigned custody of the department's petty cash funds.

E. Check Logs

(HFP Section 1 1.4)

A departmental "check log" should be used for the purpose of maintaining a permanent record of incoming reimbursement checks. The receipt register meets this requirement. Note: Reimbursement checks for bank accounts are deposited by the Office of Accounting.

F. Transferring Cash
(HFP Section 1 1.6)

When cash is transferred from one person to another, even for a short period of time, it should be counted in the presence of both parties. The amount should be recorded on a receipt and the receipt should be signed by the person accepting custody. This is necessary for purposes of establishing responsibility relating to a shortage.

G. Security
(HFP Section 2 2.2)

Cash processing areas should be secured from entry by unauthorized people. Cash should be stored in a safe when not in use and in a locked drawer or locked box. Cash in unlocked drawers or boxes should never be left unattended.

The cash handling and record keeping functions should be separated. If the office is small and separation of duties is impracticable, the supervisory personnel who do not handle cash should perform specific verification which provides for reasonable and sound internal controls.

II. Imprest Fund Procedures

Imprest funds allow for the immediate purchase of emergency items necessary to a department's operations. The funds should only be used for official University business. They are revolving funds and should never be mingled with other types of funds. They may be managed as cash or through bank accounts.

A. Purchases

With cash funds, cash should be requested from the custodian of the account prior to the purchase. With bank accounts, a check written to the vendor should be requested from the custodian of the account prior to the purchase. Individuals should refrain from paying for purchases with a personal check and then submitting receipts for reimbursement from the petty cash fund. Petty cash should not be used in this fashion.

Purchases made for official University business are tax exempt. A tax exempt certificate should be submitted to the vendor at the time of purchase. Taxes paid on purchases will not be reimbursed.

B. Cash Funds**1. Obtaining Cash for a Purchase**

When cash exchanges hands it should be counted by both parties. A log recording cash transactions should be updated at the time of the exchange. The log should show the date and the amount of the transaction, the purpose of the purchase, and should be signed by the person receiving the cash and the person issuing the cash. The log

documents cash currently outstanding as well as the parties involved with the transaction. See Form AC217-1 in Appendix II for an example.

2. After the Purchase

After the purchase has been completed, the original purchase receipt along with any change should be returned to the custodian and the cash log should be updated. Receipts have to be for what is purchased and reflect the cost of the product or service. The custodian must confirm that the totals of purchase receipts and change equal the total cash initially issued. Any discrepancies should be resolved immediately.

3. Replenishing the Fund

A reimbursement voucher must be prepared to replenish the cash fund. A voucher must be prepared at least once a month, preferably twice a month (i.e., the 1st and the 15th of each month). Each reimbursement voucher must have original supporting receipts and must be signed by persons with signature authority on the account(s) being charged. Each reimbursement voucher must show the imprest fund ID for the account being reimbursed. Vouchers are made out to a fund custodian. After the check is issued the custodian must cash it to replenish the fund. The check may be cashed either at a bank or at the Bursar's office.

4. Reconciling the Fund

At any given time, the total amount of the fund should be reconciliable using Form AC217-3 in Appendix II. Good internal controls include a monthly internal accounting of the fund. This verification should be conducted by the responsible person or someone besides the petty cash custodian(s). Maintaining documentation of the count is recommended (Form AC217-3 can be used for this purpose). Any shortage or overage of \$25 or more should be reported to the Office of Internal Audits immediately.

C. Bank Accounts

Instead of a cash fund, imprest funds with large dollar amounts or activity are managed through bank accounts. The Office of Accounting will establish a checking account in The University of Texas at Austin's name at a local bank. Departments are responsible for maintaining current signature cards. All signature changes must be routed to the Cash Management section in the Office of Accounting for approval. Copies of all correspondence from the bank should be forwarded to Cash Management.

1. Obtaining a Check for a Purchase

When a purchase needs to be made, a check is written out to the vendor. The check should be for the exact amount needed. The date, check number, amount, vendor name, and who the check was given to should be logged in a register. Note: The check register from the bank can be used as long as the required information is written in it.

2. After the Purchase

After the purchase has been made, the original purchase receipt should be returned to the custodian and the register should be updated. Receipts have to be for what is purchased and reflect the cost of the product or service. At that time the custodian should verify that the receipt equals the amount of the check by looking at the check register. Any discrepancies should be resolved immediately. Note: Occasionally the actual purchase may be less than the check amount. When this happens the remaining change needs to be returned with the purchase receipt. The custodian should verify that the receipt and change equal the amount of the check. Cash should be deposited as soon as possible, either directly to the bank or by departmental deposit in the Bursar's office.

3. Replenishing the Fund

A reimbursement voucher must be prepared to replenish the fund. A voucher must be prepared at least once a month, preferably twice a month (i.e., the 1st and the 15th of each month). Departments with lots of fund activity should prepare vouchers weekly. Each reimbursement voucher must have original supporting receipts and must be signed by persons with signature authority on the account(s) being charged. Each reimbursement voucher must show the imprest fund ID for the account being reimbursed. Vouchers are made out to the bank and the checks are deposited by the Office of Accounting. A copy of the deposit slip is sent to the custodian or other individual designated by the department.

At any given time, the total amount of the fund should be reconciliable using Form AC217-4 in Appendix II.

4. Reconciling the Fund

Departments are responsible for reconciling their bank statement on a monthly basis. Any check that has not cleared within 2 months should be investigated. Checks for which no receipts have been received should be investigated within 30 days of the check date.

Reconciliation documentation must be submitted to the Cash Management section in the Office of Accounting. This documentation should include a copy of the reconciliation form, a copy of the bank statement, and a list of outstanding checks which includes the date, check number and amount of the check. Any bank errors or adjustments and overages or shortages should be explained, either on the summary or on the bank statement. See Chapter IV, Reconciling Bank Accounts, for more information.

III. Preparing Reimbursement Vouchers

A. Reimbursement Voucher Standards

Petty cash reimbursement vouchers must use standard descriptions, proper service dates, and supporting backup. All vouchers should be "red tagged" to ensure prompt handling by Accounts Payable.

- 1) Both manual and electronic vouchers will use standard descriptions. The description will include the imprest fund ID for the department (maintained in table TBLPETTY in the CT1 command in *ACTION).

Each imprest fund account is assigned an identification number for documentation purposes. The ID numbers are assigned by department and consist of 8 characters. The first 7 characters identify the department and are based upon the unit code. Some departments have more than one imprest fund. The last character is used to differentiate the accounts within a department. The IDs are maintained in table TBLPETTY in the CT1 command in *ACTION. Each entry in the table lists the responsible person and the custodian(s) for the imprest fund. This information is used by Accounts Payable to verify signatures on reimbursement vouchers.

- 2) Service dates must be filled in. The beginning service date will be the earliest date on the receipts and the ending service date will be the latest date on the receipts. Example: Receipts with dates 10/5, 10/1, 10/25 should have service dates of 10/1 - 10/25.
- 3) Backup is required for each voucher and should consist of:
 - a) A recap sheet which breaks down each charge by account number, object code and amount. For reimbursements submitted electronically the voucher cover sheet will serve as the recap sheet. Reimbursements submitted on paper vouchers will need a typed list attached to the voucher in the format attached in the example.
 - b) A receipt itemization for vouchers having multiple receipts.
 - c) Original receipts which are numbered and have item descriptions written on them. The receipts must be attached in order according to the itemization.

A clean, legible copy of the original receipts should be maintained in the department.

B. Examples

1. Electronic Vouchers (VP2 Documents)

Example 1.1

```
>> SELECT A DOCUMENT OR A NEW ACTION AND PRESS ENTER TO CONTINUE <<
*DEFINE                SERVICE PAYMENT REQUEST - VP2                Year: 93 94
Command: VP2          Account: _____ Misc: D0VP2999501_____ Month: OCT
=====
Status: CREATED                -- COVER SHEET --                Document ID: D0VP2999501
Action: _____ Summary: RABBIT, BUNNY
Created: 10/06/93 by XXDC - COW, DAISY                Category:
Template: _____
Format: 01_____ Voucher Date: 100693                Voucher Nbr:
Separate Check: _ Check Distribution: U
Default Service Dates Begin: 091593 End: 093093 DTN: _____
Vendor ID: 29999999999002 RABBIT, BUNNY
Address: OFFICE OF ACCOUNTING
        MAI 132
        AUSTIN, TX 78712

SECTIONS:  X _ 1. Voucher Description and
                Payee Reference Info and Amounts
            X _ 2. Line Items: 8
            _ 3. Define Codes (optional)

Total Reference Amt:          356.50    Total Payment Amt:          356.50

-- 0 UT Austin  ----- PF1=Options ----- PF8=Exit ----- 10/07/93 01:23 PM --
```

1.1. Service dates must reflect the date range on the receipts.

Example 1.2

```
+-----+
|                                     |
| **** For Instructions on how to enter information press PF6 **** |
|                                     |
| Comments to be printed on voucher description:          Page 1 of 1 |
| IMPREST FUND REIMBURSEMENT FOR ##### ### A_____ |
|                                     |
| Information to be printed on check stub which helps Payee indentify payment |
| Payee Reference Info                Amount |
| IMPREST FUND_____                356.50_ |
| REIMBURSEMENT_____                _____ |
|                                     |
| More: +                TOTAL:                356.50_ |
| Send USAS: _ Reimbursable: Y Doc Type: 9 PCC Code: _ |
|                                     |
| To page forward mark MORE. To page backward press PF4. |
|-----+
```

1.2. Comments in Section 2 should be worded like this example. "##### ### A" is the imprest fund ID entered in the petty cash custodian table (TBLPETTY) in the CT1 command in *ACTION. Each department needs to know the ID that corresponds to their account. This information is used by Accounts Payable to verify signature authorization.

Example 1.3

Record Date: 10/06/93

Document ID: D0VP2999501

***** VOUCHER COVER SHEET *****

Creator Name: COW, DAISY
 Logon ID: XXDC Mail Code:
 Phone Number:
 Vendor ID: 29999999999002
 Account Group: _____

ATTACHMENTS REQUIRED: _____
 SPECIAL PAYMENT DATE: _____
 Justification(required): _____

Pay To: RABBIT, BUNNY
 Voucher Description:
 RABBIT, BUNNY -
 IMPREST FUND REIMBURSEMENT FOR #### ### A

DESCRIPTION	ACCOUNT	OBJ	PO NUMBER	DTN	AMOUNT
HACKERT, BRETNA M	1918004050	1401			25.25
HACKERT, BRETNA M	2625502050	1401			150.25
HACKERT, BRETNA M	2625502050	1425			20.56
HACKERT, BRETNA M	2916761850	1401			22.44
HACKERT, BRETNA M	2916761850	1403			15.46
HACKERT, BRETNA M	2916761850	1425			26.73
HACKERT, BRETNA M	3076426550	1401			45.80
HACKERT, BRETNA M	3076426550	1836			50.01
Total Amount:					356.50

1.3. Each voucher requires a recap by account number, object code and amount. The VP2 cover sheet can be used for this purpose.

2. Manual Vouchers

Departments are encouraged to prepare electronic vouchers. Departments unable to create electronic vouchers need to prepare paper voucher forms which include the following information:

Example 2.1

ACCOUNT TITLE					ACCOUNT NO.		
	A						
	B						
SEE ATTACHED	C				SEE ATTACHED		
	D						
	E						
	F						
Z. DELIVERY DATE	aa. DESCRIPTION OF ARTICLES OR SERVICES	bb. QUANTITY	cc. UNIT PRICE	dd. AMOUNT			
9/15/93 thru 9/30/93	IMPREST FUND REIMBURSEMENT FOR #### ### A			\$ 356.50			

- 2.1. Account title and account number should say "SEE ATTACHED". Service dates should be entered in block Z. Delivery Date. The description should say "Imprest fund reimbursement for ##### ### A" and list the imprest fund ID from TBLPETTY (see Electronic Voucher examples above for more information). The total amount of the voucher should be entered in block dd.

Example 2.2

Account Number	Object Code	Amount
19-1800-4050	1401	25.25
26-2550-2050	1401	150.25
	1425	20.56
29-1676-1850	1401	22.44
	1403	15.46
	1425	26.73
30-7642-6550	1401	45.80
	1836	50.01
Total		356.50

- 2.2. A recap sheet showing totals by account number and object code must be provided by the department and should be in format shown above.

3. Requirements for Manual & Electronic Vouchers

```

*ACTION          ADD/ UPDATE TABLE ENTRIES - CT1          Year 93 94
Command: CT1     Account: _____ Misc: TBLPETTY          Month: OCT
=====
IMPREST FUND ID  DEPARTMENT          Start from: _____
-----
- 0040 000 A     OFFICE OF ACCOUNTING
- 0088 000 A     LIBERAL ARTS COMPUTER INSTRUCTION LAB
- 0140 000 A     ASTRONOMY - MCDONALD OBSERVATORY
- 0220 000 A     BIOLOGICAL SCIENCES, DIVISION OF
- 0240 000 A     BOTANY, DEPARTMENT OF
- 0260 000 A     CHEMISTRY & BIOCHEMISTRY, DEPARTMENT OF
- 0260 000 B     CHEMISTRY & BIOCHEMISTRY, DEPT/DR. KITTO
- 0260 000 C     CHEMISTRY & BIOCHEM, DEPT OF GRAD ADVIS
- 0260 000 D     CHEMISTRY, INSTITUTE FOR THEORETICAL
- 0260 000 E     CHEMISTRY SUMMER PROGRAMS-WELCH
-- 0 UT Austin  ----- PF1=Options ----- PF8=Exit ----- 10/07/93 04:10 PM --

```

- 3.1. All vouchers must list the imprest fund ID so that custodian signatures can be verified for the account. Imprest fund IDs can only be viewed in *ACTION. In *ACTION, type "CT1" in Command and "TBLPETTY" in Misc. and press ENTER. You may enter a starting ID in the "Start from" field. It is important to include the complete 8 character ID listed in the table on the voucher. Departments may have several imprest funds. The alpha character differentiates each fund within a department.

```

*ACTION          ADD/ UPDATE TABLE ENTRIES - CT1          Year 93 94
Command: CT1    Account: _____ Misc: TBLPETTY_____ Month: OCT
=====
UNIT
----
-- UPDATE Table Description --
x 0040  |  <=  TABLE NAME: TBLPETTY
- 0088  |
- 0140  |
- 0220  |          IMPREST FUND ID: 0040 000 A
- 0240  |          DEPARTMENT: OFFICE OF ACCOUNTING_____
- 0260  |          PERSON RESPONSIBLE: DAWG, DEXTER_____
- 0260  |          CUSTODIAN 1: CAT, KITTY                      471-XXXX
- 0260  |          CUSTODIAN 2: RABBIT, BUNNY                    471-XXXX
- 0260  |          CUSTODIAN 3: _____
- 0260  |          CUSTODIAN 4: _____
- 0300  |          CUSTODIAN 5: _____
- 0320  |          CUSTODIAN 6: _____
- 0340  |          CUSTODIAN 7: _____
- 0370  |
- 0535  |
-----
-- 0 UT Austin  ----- PF1=Options ----- PF8=Exit ----- 10/07/93 04:10 PM --

```

- 3.2. Placing an "X" next to an ID and pressing ENTER displays the person responsible for the account as well as the custodians. Departments are responsible for ensuring this information is accurate. Accounts Payable uses this information when verifying signature authorization. Contact Cash Management (1-1083) if updates need to be made.
- 3.3. Vouchers which have multiple receipts must include an itemization of the receipts in the following format (see Form AC217-2 in Appendix II). Both manual and electronic vouchers must include object codes. All receipts must be numbered and have item descriptions written on them. Entering receipt information onto the form and filing the receipts in order as they are returned may be the easiest way to itemize. When it's time to prepare the voucher the receipts will already be in order, the itemization will be completed, and only the recap sheet will need to be prepared. Note: If you prepare electronic payment vouchers you may want to have a separate recap sheet for each account number to avoid document routing problems.

The University of Texas at Austin
Office of Accounting
Imprest Fund Reimbursement Voucher

Date Prepared: 10/1/93
Prepared By: B. Rabbit
Page 1 of 1

Document ID: D0VP2999501
Imprest Fund ID: 5100000 A
Service Dates: 9/15/93 - 9/30/93

Receipts are numbered accordingly and are attached in numeric order.

Account Number	Receipt #	Date Received (Service Date)	Quantity & Brief Description	Object Code	Total
19-1800-4050	1	9/15/93	<i>Description</i>	1401	15.25
"	2	9/15/93	<i>Description</i>	1401	10.00
26-2550-2050	3	9/16/93	<i>Description</i>	1401	75.25
"	4	9/18/93	<i>Description</i>	1401	75.00
"	5	9/15/93	<i>Description</i>	1425	20.56
29-1676-1850	6	9/25/93	<i>Description</i>	1425	26.73
"	7	9/23/93	<i>Description</i>	1403	10.46
"	8	9/21/93	<i>Description</i>	1401	22.44
"	9	9/29/93	<i>Description</i>	1403	5.00
30-7642-6550	10	9/29/93	<i>Description</i>	1401	25.40
"	11	9/28/93	<i>Description</i>	1836	50.01
"	12	9/30/93	<i>Description</i>	1401	20.40
			Total		\$356.50

IV. Reconciling Bank Accounts

Each bank account should be reconciled monthly and a copy of the reconciliation sent to the Cash Management section in the Office of Accounting. A reconciliation should be submitted even if there is no activity on an account. Original reconciliation documentation should remain in the department. Copies submitted to Cash Management should be clean and readable. Each reconciliation consists of a reconciliation sheet and supporting backup.

A. Reconciliation Sheet

Although no specific form is required, each reconciliation sheet should have the following information (see Form AC217-4 in Appendix II):

The department name, imprest fund ID, and the month the reconciliation is for should be listed, preferably at the top of the page.

Balance per Bank Statement:

This is the month end balance shown on the statement.

+ Outstanding Deposits:

These are deposits (i.e., reimbursement checks) not yet showing on your statement. Add these to the bank balance.

- Outstanding Checks:

These are checks you've recorded which are not yet showing on your statement. Subtract these from the bank balance.

+/- Bank Errors or Adjustments:

Any bank errors or adjustments need to be explained, either on the bank statement or on the reconciliation sheet. These are either added or subtracted from the bank balance. Note: No bank charges (i.e., check charges, foreign drafts, etc.) should be paid from imprest fund bank accounts. These charges are paid by the Office of Accounting. If these types of charges show on your statement, contact Cash Management at 471-1083.

Adjusted Balance:

This balance is the total of all the previous lines. It should be the same as the month end checkbook balance. Note: Your reconciliation doesn't stop here! You need to balance back to the amount of the fund.

+ Outstanding Reimbursements:

+ Unvouchered Expenses:

These are receipts for which no voucher has yet been prepared. Add these to the Adjusted Balance.

+ Vouchers in Transit:

These are reimbursement vouchers which have been submitted but not yet processed. Add these to the Adjusted Balance.

Overage/Shortage:

Any overage or shortage must be explained, either on the bank statement or on the reconciliation sheet. These are either added or subtracted from the Adjusted Balance.

Total Fund Balance:

This is the Adjusted Balance plus/minus the Outstanding Reimbursements and Overage/Shortage amounts.

- Authorized Fund Balance:

This is the total of the imprest fund as set up by the Office of Accounting. Subtract this from the Total Fund Balance.

Fund Over/(Short):

This is the difference between the Total Fund Balance and the Authorized Fund Balance. When the account is in balance the amount on this line is zero. Any amount other than zero indicates an overage or shortage and needs to be explained.

The person reconciling the account needs to sign the reconciliation sheet. An outside source (when possible) should verify the reconciliation and sign the reconciliation sheet.

B. Fund Over or Short

If the fund is over or short by \$25 or more, immediately notify the Office of Internal Audits (Policy Memorandum 6.303).

If the fund is over, deposit the overage, annotate the deposit slip to reflect the overage, and attach a copy of the deposit slip to the reconciliation. Overages should be deposited to an unrestricted fund source (i.e., 30 account).

If the fund is short, prepare a voucher for the shortage, note on the voucher to reflect the shortage, and attach a copy of the voucher to the reconciliation. Shortages should be charged to an unrestricted fund source (i.e., 30 account).

C. Attachments

A copy of the bank statement needs to be attached to the reconciliation sheet. Additionally, outstanding checks need to be listed individually. This can be done either on the statement or on a separate sheet. The check number, date, and amount need to be listed, and the total of the checks must be shown. Any errors, adjustments, overages or shortages must be listed individually along with an explanation. These may be listed on the statement or on a separate sheet. Note: Notations made on the bank statement should be clear and concise.

D. Unreconciled Checks/Deposits

Any check or deposit that has not cleared within 2 months should be investigated. Checks for which no receipts have been received should be investigated within 30 days of the check date. Contact Cash Management for assistance if you need help resolving unreconciled items.

V. Resources

A. Office of Internal Audits

The Office of Internal Audits can assist you with questions on University rules, training, cash records, over/shorts, departmental cash handling procedures, establishing or

increasing petty cash funds, internal controls, audits, etc. Call them at 471-7117 for assistance.

B. Cash Management

The Cash Management section in the Office of Accounting is responsible for the imprest fund bank accounts and the imprest fund ID table. Call them at 471-1083 for assistance.

C. Accounts Payable

The Accounts Payable section in the Office of Accounting processes reimbursement vouchers. Call them at 471-1816 if you have questions regarding reimbursement voucher requirements.

D. Classes

Additional classes that may be useful:

Electronic Documents

- DE 230 Introduction to Electronic Documents
- DE 217 Electronic Payment Vouchers (VP1/VP2)

Departmental Accounting (The LMM Commands in *DEFINE)

- DE 204 Posting
- DE 205 Reconciliation
- DE 206 Coding Schemes

Administrative Procedure Workshops

- Cashier Training

Miscellaneous

- DE 202 Introduction to *DEFINE
- DE 301 Introduction to UT Accounting I
- DE 302 Introduction to UT Accounting II
- DE 303 Introduction to UT Accounting III

Appendix I: Glossary

Adjusted Balance	<i>The month end balance in your checkbook after outstanding deposits and checks have been accounted for.</i>
Change Fund (non-retail)	<i>This is a fund used to make change for sales operations using a cash box or drawer without a cash register.</i>
Custodian	<i>The person who has physical possession of the fund. Custodians are designated by the responsible person.</i>
Fund Balance	<i>The total amount of the petty cash fund. It includes cash on hand, disbursements not yet vouchered, and vouchers in transit.</i>
Handbook of Fiscal Procedures	<i>This handbook contains specific rules on how funds are to be handled at The University of Texas at Austin. Cash handling procedures are located in Chapter 1, Receipt and Custody of Money.</i>
HFP	<i>Acronym for Handbook of Fiscal Procedures</i>
Imprest Fund	<i>This is a revolving cash fund used for making purchases. Imprest funds are reimbursed by preparing a payment voucher, attaching receipts supporting the purchases, and submitting the voucher with backup to the Office of Accounting.</i>
Imprest Fund ID	<i>An identifier for each imprest fund. The ID needs to be put on each reimbursement voucher in order to verify signature authority. IDs are maintained by the Cash Management section in the Office of Accounting (1-1083). See Chapter 3 of the outline for more information.</i>
Object Code	<i>Object class codes are 4-digit codes used to categorize transactions for reporting purposes. Every accounting transaction must have an object code assigned to it. All reimbursement vouchers must include object codes for each receipt. Object class codes may be viewed using the GG8 and GG9 commands in *DEFINE and a listing may be printed via the PF15 key in GG8 and GG9.</i>
Outstanding Checks	<i>Checks you have written which have not yet cleared the bank.</i>
Outstanding Deposits	<i>Deposits not yet credited on the bank statement.</i>
Outstanding Reimbursements	<i>Consists of disbursements not yet vouchered (purchase receipts and cash) plus vouchers in transit.</i>
Payment Voucher	<i>A document (form) used to replenish the fund.</i>
Presidential Policy Memorandums	<i>These are memorandums prepared by the Office of the President at The University of Texas at Austin. They apply to UT-Austin only.</i>
Regents' Rules and Regulations	<i>These are general rules governing how funds and supporting documentation must be handled by all University of Texas campuses. Cash handling procedures are located in Part II, Chapter III, Receipt, Custody, and Disbursement of Moneys.</i>

Responsible Person

Generally the department head. Imprest funds are kept in this person's name. The responsible person assigns custodians and should ensure that proper internal controls are in place.

Tax Exempt Certificate

A certificate which, when properly executed, allows the tax-free purchase of an item that would otherwise be subject to sales tax.

The University of Texas System and its component institutions are part of the State, and are exempt from the State Sales tax. Only officially budgeted departments or units of The University with a 10-digit University account number are eligible to claim an exemption from sales tax on items or services acquired for official University use. Basically, if the purchase will NOT be made/reimbursed from a 10-digit University account, the tax exempt status does NOT apply.

To get a TAX EXEMPT CERTIFICATE, contact 1-3723 (or the PRC Commons) and give them the department (unit) name, the vendor's name, and complete address. They will prepare the tax exempt certificate for you. NOTE: There is not a "tax exempt number" to give vendors; you must have a certificate prepared.

Vouchers in Transit

Reimbursement vouchers which you have submitted but which have not finished processing.

Appendix II: Example Forms

- A. Cash Fund Disbursement Log (Form AC217-1)
- B. Receipt Itemization for Reimbursement Vouchers (Form AC217-2)
- C. Cash Fund Reconciliation Form (Form AC217-3)
- D. Bank Account Reconciliation Form (Form AC217-4)
- E. Changes to Petty Cash Funds (Form AC217-5)

The University of Texas
Imprest Fund Bank Account Reconciliation

Department Name: _____

Imprest Fund ID: _____

For the Period: _____

Balance per Bank Statement _____

+ Outstanding Deposits _____

- Outstanding Checks (detail attached) _____

+ or - Bank Errors or Adjustments _____

Adjusted Balance (month-end checkbook balance) _____

Outstanding Reimbursements

+ Unvouchered Expenses _____

+ Vouchers in Transit _____

Overage/Shortage _____

Total Fund Balance _____

- Authorized Fund Balance _____

Fund Over/(Short)

Reconciled by: _____

Date: _____

Verified by: _____

Date: _____

**The University of Texas at Austin
Changes to Petty Cash Funds**

Return form to: *Cash Management
Office of Accounting
MAI 132/K5300*

Mark One: Change Fund
Imprest Fund Imprest Fund ID: _____

Make changes below

Update Responsible Person:

From: _____ Title _____ Phone _____
To: _____

Update Custodians:

From: _____ Rm# _____ Phone _____

To: _____

Receipt: *(Signed by custodians receiving custody of the funds)*

Department: _____
Fund Amount: _____
Received From: _____

I have counted and accept custody of the above referenced petty cash fund.

Name: _____
Signature: _____ Date: _____

Change in Fund Location

From: _____
To: _____

Above Changes Approved By:

Responsible Person: _____
Title: _____
Department: _____
Address/Mail Code: _____