



# Administrative Regulations

Number AR20-1  
Issue 3

**Subject: Change Accounts.**

## ADMINISTRATIVE REGULATION

### I. PURPOSE:

A Change Account is used to facilitate the collection of money from customers. The amount of the Change Account is deducted from the total cash on hand at the close of each business day to determine the daily collections. The total amount of the Change Account is reflected in the City records as a Balance Sheet asset under the title "Change Account".

### II. SCOPE:

The provisions of this Administrative Regulation will apply to all departments under the administrative control of the City Manager. In the interest of uniformity, effectiveness and completeness, it is requested that elective officials and other independent offices and departments also comply with this regulation.

### III. AMENDMENT:

The City Manager may amend the procedures and contents set forth in this regulation from time to time as appropriate.

### IV. CHANGE ACCOUNT CONTROL

Change Account requirements have been previously analyzed. A tabulation of individual departmental allocations is on file with the Financial Management Department, Accounting. Accounting is responsible for the administration of all Change Accounts, less advances to City Departments. The Department head or his designee is responsible for maintaining said advanced accounts intact at all times. The remaining unassigned portion of the Change Account not permanently assigned to a City department, will be charged to the City Treasurer for custody and temporary assignment to meet special change making requirements of the various City departments.

### V. CHANGE ACCOUNT PROCEDURES:

#### A. Requests for a Permanent Change Account or Increase in an Existing Change Account:

Memoranda of request for a permanent Change Account or an increase in an existing Change Account are to be forwarded to the Director of Financial Management with a description as to the need, office responsible and the amount. After approval, the Director of Financial Management will forward the original of the memorandum to Accounting Operations with a copy to the initiating department. The approved memorandum will serve as the initiating department's authority to prepare a Direct Payment for the Change Account amount (see Section VI - 19 of the Financial Management System Manual). The Direct Payment amount will be charged to "General Ledger Account 081" for the Fund using said Change Account. A check will be drawn payable to the department head. Said department will cash the check and deposit the proceeds in the department Change account.

For permanently assigned Change Accounts there will be no definite date for return of said moneys.

**B. Decrease in Change Account Amount:**

Should a smaller Change Account be required by curtailed operations, the excess will be returned in the following manner:

A Deposit Receipt will be prepared with the amount returned being credited to Change Account "General Ledger Account 081". Appropriate organizational and subsidiary code numbers will also be indicated (see Section VI - 29 of the Financial Management System Manual). The moneys will be deposited with Central Cashiering.

**C. Return of Change Account:**

If it is determined that the Change Account is no longer required, said funds are to be processed and returned as outlined in V-B above.

**D. Temporary Change Account Requirements:**

The City Treasurer is responsible for the unassigned balance of the total Change Account. This sum is available for temporary usage such as Automobile and Police Surplus Property Auctions, Rabies Control Clinics, etc.

If the need for a Temporary Change Account will not exceed 30 days, a requesting memorandum should be sent directly to the City Treasurer. When moneys are advanced, the departmental representative will sign for moneys received, indicating the date and dollar amount. A copy of the executed memorandum will be given to the departmental representative. When the moneys are returned, the City Treasurer will acknowledge the amount returned and the date. A copy of the memorandum will also be retained by both parties.

**E. Stolen Change Account Moneys or Receipt of Counterfeit Moneys**

The replacement of stolen Change Account moneys or counterfeit moneys by any department should be documented and replaced from a departmental appropriation by issuing a Direct Payment made payable to the Department Head.

**F. Audit of Change Account:**

A complete listing of all Change Accounts in the City, the persons responsible for their custody, and the amount of each Change Account will be maintained by Financial Management Departments, Accounting. All departmental Change Accounts are subject to review at any time by administrative officials or the City Auditor.