

IMPREST FUND CASHIER PROCEDURES

1. REASON FOR ISSUE: Attached is a total revision of VA Manual, MP-4, Part I, Chapter 4, which has been divided into VA Directive 4030 and VA Handbook 4030.

2. SUMMARY OF CONTENTS/MAJOR CHANGES: This handbook revises VA Imprest Fund Cashier Procedures to update titles and department names and to include the preferred payment mechanism for imprest fund disbursements, which is now third party drafts.

3. RESPONSIBLE OFFICE: Fiscal Policy Service (047GC), Office of the Deputy Assistant Secretary for Financial Management.

4. RELATED DIRECTIVE: VA Directive 4030.

5. RESCISSION: MP-4, Part I, Chapter 4.

**CERTIFIED BY:
SECRETARY**

Nada D. Harris

Deputy Assistant Secretary for
Finance and

Information Resources Management
Management

Distribution: RPC 0410
SS

BY DIRECTION OF THE

OF VETERANS AFFAIRS:

D. Mark Catlett

Assistant Secretary for

Information Resources

IMPREST FUND CASHIER

1. PURPOSE. This handbook prescribes administrative procedures to maintain fiscal controls and accountability of Imprest Fund Cashiers, in accordance with the policy published in VA Directive 4030.

2. RESPONSIBILITIES

a. The position of Imprest Fund Cashier should be established only at those stations where the volume of small purchases is too large to be effectively handled through the Agent Cashier by the petty cash method or where the distance between the Fiscal activity and the Acquisition and Materiel Management activity is considerable. Third party drafts should be used instead of cash whenever possible. The procedures for issuing drafts are covered in VA Handbook 4010, Section G. The number of alternate Imprest Fund Cashier positions should be held to a minimum consistent with local requirements. Appointment to the position of Imprest Fund Cashier is governed by the provisions of VA Acquisition Regulation 813.4.

b. For purposes of relationship with the Treasury Department the present position title of "Imprest Fund Cashier" will be known as sub-cashier. However, the present title will be retained for use within VA and in dealing with the public.

c. Imprest Fund Cashiers and alternates will be designated by name, and in writing, by the Director. The designation should specify the type of payment the Imprest Fund Cashier is authorized to make consistent with the purpose for which the position is established. A memorandum signed by the Director will be used to revoke such designations. A copy of each designation or revocation will be furnished to the Agent Cashier from whom funds are advanced to an Imprest Fund Cashier.

d. Imprest fund cashier designations do not require the concurrence or notification of the Treasury Disbursing Officer.

3. CASH ADVANCE

a. The advance to an imprest fund cashier will be determined by the monthly volume of a station's imprest fund transactions, but third party drafts should be issued instead of cash whenever possible. If a station's total monthly imprest fund transaction is less than \$2,000, the amount of advance will be based upon the actual amount needed to enable the cashier to prepare a replenishment voucher once a month. Two weeks cash requirement is authorized when the monthly transactions total from \$2,000 to \$10,000. When an amount greater than that indicated in the foregoing limitations is deemed necessary, complete justification will be submitted to Central Office for approval by the department or staff office having administrative jurisdiction for the Acquisition and Materiel Management activity. The Agent Cashier will be advised by the Director to advance the increased amount to the Imprest Fund Cashier. A receipt will be obtained by the Agent Cashier for the increased amount.

b. When it becomes known that the position of Imprest Fund Cashier is to become vacant, a replacement will be selected. The outgoing Imprest Fund Cashier will claim reimbursement for all unscheduled subvouchers on OF 1129, Reimbursement Voucher, in the usual manner. The entire advance will then be given to the new Imprest Fund Cashier. The new Imprest Fund Cashier will give a receipt to the Agent Cashier as outlined in subparagraph a above. The old receipt will be returned to the outgoing Imprest Fund Cashier. If the new Imprest Fund Cashier has not been designated before the outgoing

Imprest Fund Cashier leaves, the same procedure will be used to transfer the account to the alternate Imprest Fund Cashier. The alternate will then be accountable until a new Imprest Fund Cashier is designated and accountability transferred accordingly.

4. ACCOUNTABILITY

- a. The Imprest Fund Cashier is accountable to the Agent Cashier from whom the advance is received.
- b. The Imprest Fund Cashier will verify the accountability daily.

5. SAFEGUARDING FUNDS. The Imprest Fund Cashier and alternate will be furnished facilities that will afford adequate protection for the cash advance. They are individually responsible for funds and documents in their possession. The provisions of VA Handbook 4010 should be used as a guide for safeguarding the funds. Facilities should be commensurate with the amount of the advance.

6. INFORMAL CASH ADVANCES. The Imprest Fund Cashier is authorized to advance funds to (a) the alternate, (b) an employee designated in writing by the Director to consummate petty cash purchases, and (c) to a messenger for payment of imprest fund purchases not to exceed the amount of the purchases. At the time the advance is made, a signed receipt will be obtained from the employee receiving the advance which will be retained by the Imprest Fund Cashier until the advance is liquidated. However, third party drafts should be used for this purpose whenever possible.

7. FORESEEN AND UNFORESEEN ABSENCE

a. When the foreseen absence will be 15 working days or less, the Imprest Fund Cashier will transfer sufficient funds to the alternate to transact normal business and obtain the alternate's signed receipt. The Imprest Fund Cashier retains full accountability for the fund in such case. When the foreseen absence will exceed 15 working days, the total advance will be transferred to the alternate. The unscheduled subvouchers may be included as part of the amount transferred where it is not feasible to schedule them for reimbursement prior to the absence. The Agent Cashier will obtain a signed receipt for the amount transferred to the alternate Imprest Fund Cashier. The old receipt signed by the Imprest Fund Cashier will be returned by the Agent Cashier. Upon the Imprest Fund Cashier's return to duty, the fund will be transferred back.

b. Where the unforeseen absence of an Imprest Fund Cashier precludes the transfer of funds to an alternate, in the normal manner, and where the need is evident, the following procedures will be followed:

(1) A committee of three, consisting of the Director or assistant, Agent Cashier or alternate Agent Cashier, and alternate Imprest Fund Cashier will effect access to the Imprest Fund Cashier's records and funds.

(2) OF 1129, Reimbursement Voucher, will be prepared in the name of the Imprest Fund Cashier in the usual manner, except that it will be signed by each member of the committee.

(3) The fund will be turned over to the alternate Imprest Fund Cashier, who will furnish a signed receipt to the Agent Cashier for the total advance. The receipt will be countersigned by the other two members of the committee as witnesses. The old receipt in custody of the Agent Cashier will be given to the Director or assistant for safekeeping until the Imprest Fund Cashier returns to duty, at which time the receipt will be turned over to him/her.

8. CASH DISBURSEMENTS

a. In situations where third party drafts cannot be used, the Imprest Fund Cashier is authorized to make payment in cash for purchases of supplies and services which do not exceed \$500 for any one transaction.

b. The Imprest Fund Cashier may not advance more than \$500 at any one time to an employee designated in writing to consummate petty cash purchases.

c. The designated employee will make an accounting to the Imprest Fund Cashier for the advance not later than the next business day following the day of purchase.

9. REPLENISHMENT VOUCHERS

a. The Imprest Fund Cashier will replenish funds at frequent intervals so as to hold the amount of cash advance to a practical minimum. However, at least once each month a replenishment voucher will be prepared. This will be accomplished by the preparation of OF 1129, Reimbursement Voucher, in as many copies as necessary to meet local requirements. The "Status of Fund" section will be completed in each instance.

b. Each receipted bill, invoice or similar form, will be assigned a subvoucher number in the order of payment by the Imprest Fund Cashier. A new series of numbers will be used at the beginning of each fiscal year. These subvouchers will be securely attached to the voucher with an adding-machine tape listing all subvouchers by amount in numerical sequence. Subvouchers need not be listed in detail on the reverse of the OF 1129. However, the inclusive subvoucher numbers will be recorded on the face of the OF 1129. The original copy of voucher will be certified by the Imprest Fund Cashier or the alternate if the accountability for the advance has been transferred. It will be routed to the Voucher Audit activity for audit and forwarding to the Agent Cashier.

10. ESTABLISHMENT OF POSITION IN MEDICAL ADMINISTRATIVE SERVICE

a. At those stations where conditions warrant due to physical layout, volume of work involved, or where service to the patient can be improved, an Imprest Fund Cashier

position may be established in the Medical Administration Service. This position should be established only when cash payments to patients can be better accomplished by an individual in the Medical Administration Service rather than the Agent Cashier or alternate.

b. The activity of the cashier in the Medical Administration Service is restricted to withdrawals from Personal Funds of Patients, beneficiary travel payments, and to purchase food from Veterans Canteen Service vending machines after normal working hours periods, to authorized persons.

c. The provisions of the preceding paragraphs, where applicable, apply equally to the position when established in the Medical Administration Service, except that the Director will determine the maximum amount of cash advance.

d. In order to maintain sound internal control an employee maintaining individual account records will not serve as Imprest fund Cashier or alternate.

11. ADVANCES TO SOCIAL WORKERS

a. The Agent Cashier may advance an amount not to exceed \$50 to designated social workers for making payments as authorized in MP-4, Part V, paragraph 21.06. At the time the advance is made the agent cashier will obtain a receipt which will be retained until the advance is liquidated.

b. If the social worker is expected to hold an advance on a continuing basis the position should be designated as Imprest Fund Cashier.

c. If the advance is made for a one-time special payment, procedures for handling petty cash purchases will be observed.