

DISBURSEMENTS

- Policy Number:** BP # 117
- Effective Date:** **Approved by the Eastern Washington State Historical Society (EWSHS) Board of Trustees on February 1, 2017.**
- Application:** Applies to all employees, board members, volunteers and contractors of the **EWSHS**.
- History:** This is a new Board Policy.
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Article I PURPOSE

This Policy meets EWSHS's obligation to adopt policies and procedures for handling disbursements pursuant to Washington State Administrative and Accounting Manual (SAAM): Policy 40.10 General Provisions, 40.30 Disbursement of Electronic Funds/Benefits by State Agencies, 85.36 Disbursement Processing, 85.42 Expenditures, Expenses, and Cash Disbursements - Illustrative Entries.

Article II POLICY STATEMENT

This policy contains requirements for processing payments to authorized vendors who provide goods and services to the agency. Goods and services include but are not limited to products, services, materials, equipment, and travel reimbursements. It is the responsibility of the Executive Director or his/her authorized designee, to certify that all expenditures/expenses and disbursements are proper and correct.

Article III DEFINITIONS

1. **Vendor** - An entity selling a good or service to the State. Vendors include, but are not limited to, retail businesses, consultants, contractors, manufacturers, or credit card companies. A vendor may be an individual, corporation, non-profit organization, federal government, or federal agency, local government or local agency, another state or another state agency, a Washington state agency, or Indian nation. For travel reimbursement purposes, a vendor may include an employee, a board member, or volunteer.
2. **Statewide Vendor** - A vendor with a common vendor record maintained by the Department of Enterprise Services that can be used by any agency making a payment to that vendor. A Statewide Vendor (SWV) code is required for certain payment types (Inter-Agency Payments (IAP) and AFRS Automated Clearing House (ACH) payments to nonemployees).

Article IV REQUIRED PROCEDURES

- A. The Executive Director or authorized designee(s) is responsible for authorizing all expenditures/expenses consistent with the authority delegated by the EWSHS Board of Trustees.

- B. The Executive Director will ensure the establishment and implementation of procedures following generally accepted accounting principles which should include, at a minimum, the following:
 - 1. Provisions to ensure that all expenditures/expenses and disbursements are for lawful and proper purposes and recorded in a timely manner consistent with the internal control procedures detailed in SAAM Chapter 20;
 - 2. Provisions to ensure timely, accurate, and cost effective payment of authorized obligations to vendors;
 - 3. Provisions to control cash disbursements; and
 - 4. Provisions to verify the mathematical accuracy of all documents and ensure that charges are properly recorded to appropriate accounts.

- C. Goods and services shall not be ordered, contracted for, or paid for unless they are provided by authorized vendors and within the limitations prescribed by the Department of Enterprise Services or by statute.

- D. Prior to payment authorization, the Executive Director or authorized designee(s) will ensure there are adequate steps taken to verify that the goods and services received comply with the specifications or scope of work indicated on the purchase or contract documents. Authorized personnel receiving the goods and services will confirm the actual quantities received, services provided, deliverable submitted, etc.

- E. Pursuant to RCW 43.88.150 unless otherwise required by federal or other contractual requirement, where funding is available from both appropriated and non-appropriated sources for the same purpose, the Executive Director or authorized designee will charge expenditures in such a ratio as will conserve appropriated funds. Further, unless otherwise provided by law, federal or other contractual requirement, if state moneys are appropriated for a capital project and matching funds or other contributions are required as a condition for receipt of state moneys, state moneys shall be expended in proportion to and only to the extent that matching funds or other contributions are available for expenditure.

- F. Pursuant to RCW 39.26.090, credit cards and similar devices may be used to make purchases under specific terms and conditions. Refer to Board Policy #116.

- G. The Executive Director or authorized designee will ensure receipts and disbursements resulting from EWSHS operated waste reduction and recycling programs are recorded and deposited into an account that supports the recycling effort as either a miscellaneous revenue or a recovery of expenditures to the extent of expenditures for the program. If the revenues exceed the expenditures identified with the recycling program, they are to be allocated on a proportional basis to the accounts that originally purchased the recycled materials.

References that apply to this policy

SAAM: Policy 40.10, 40.30, 85.36 and 85.42	RCW 43.88.150
SAAM Chapter 20	RCW 39.26.090

DISBURSEMENT ADMINISTRATIVE PROCEDURE

- Policy Number:** Administrative Procedure for Board Policy #117.
- Effective Date:** Approved by the Executive Director of Eastern Washington State Historical Society (EWSHS) on February 1, 2017.
- Application:** Applies to all employees, board members, volunteers and contractors of the **EWSHS**.
- History:** This is a new Administrative Procedure.
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Article I Requirements for Disbursements of Funds

- A. Prior to processing disbursement:
1. Confirm the existence of a: Journal Voucher (A7-A) ; Purchase Requisition (A15-A); Purchase Order (A16, A16-A); Declaration of Emergency Purchase (A15-E), Field Order (A17-A, A17-1A), Receiving Report—Partial Delivery (A18-A18-A), Invoice Voucher (A19-1A), Voucher Distribution Form (A19-2, A19-2A); Refund Voucher (A19-3), Travel Expense Voucher (A20-A, A20-2A); Printing Requisition (A21-A); Copy Center Request Form (A24); and/or an internal purchase document for authorized local purchases.
 2. Confirm the documents include the following information:
 - a. Payee name and address in compliance with U. S. postal regulations,
 - b. Unified Business Identifier (or other vendor approved identifier), as applicable,
 - c. Taxpayer ID Number (TIN), as applicable,
 - d. Voucher number,
 - e. Appropriate account code distribution,
 - f. Date the goods were received or the services were provided,
 - g. Signature of receiver or contract manager approval,
 - h. Receipt date of invoice,
 - i. Invoice number, if available,
 - j. Total amount of invoice,
 - k. Invoice date,
 - l. Discount or other terms, and
 - m. Date of payment.
 3. Confirm there is evidence of the following:
 - a. Authorization to purchase.
 - b. Written approval by the agency head or authorized designee authorizing payment appears on the disbursement document.
 - c. The payment is being processed to the correct vendor.
 - d. The goods and services indicated on the invoice agree with those documented as received on the receiving report.

- e. Unit prices on the invoice agree with those indicated on the disbursement document.
 - f. Contractor rates agree with the contract document.
 - g. Extensions and footings are correct.
 - h. Correct account code distributions are indicated.
 - i. Interest for late payment, upon billing, is properly documented and computed
- B. The Chief Financial Officer or designee will conduct an internal audit on an annual basis which will include the following:
- 1. Review operations or programs to ascertain whether results are consistent with established goals and objectives and whether the operations or programs are managed according to plan.
 - 2. Review the management control system designed to ensure compliance with those policies, plans, procedures, laws, regulations, and contracts that could have a significant impact on operations. Also report whether the management control system is working as designed.
 - 3. Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
 - 4. Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
 - 5. Appraise the economy and efficiency with which resources are employed.
 - 6. Isolate problem areas and provide a means for corrective action before the problem affects operational efficiency.
 - 7. Promote open communications and establish a positive relationship among the internal auditor, external auditor, agency staff, management, and audit committee and authority/board/committee/commission members as applicable.