

North Central Workforce Development Area

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LOCAL DIRECTIVE

Directive #: <u>16-132</u>	Date: <u>7/22/2016</u>
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TO: SkillSource Staff and Service Providers

FROM: Dave Petersen, Executive Director

SUBJECT: Expenditures and Cash Disbursements

SUPERCEEDS: 11-101 Expenditures and Cash Disbursements

Effective Date: 07/01/2016

Introduction

It is SkillSource policy that all financial transactions will comply with Public Law 113-128, Workforce Innovation and Opportunity Act (WIOA); 2 CFR 200 Subpart D-Post Federal Award Requirements- Standards for Financial and Program Management 200.302 Financial Management; One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG) - July 2002; Washington State WIOA Policy Number 5230; and Generally Accepted Accounting Principles (GAAP).

Payments are made using MIP Fund Accounting. Each type of payment is approved and processed differently. Following are description of the common types of payments made.

Operational

Operational expenses are repetitive and routine in nature including phone, internet, utilities, maintenance services, and janitorial supplies. They are routed directly to accounting for payment.

Invoices for other goods and services require the signature of an authorized purchasing agent. (refer to Directive 05-48, Purchase Order Procedure) prior to routing to accounting for payment.

Participant

Direct training and Support payments are authorized and paid only after the participant has been enrolled into an activity. Enrollment is verified before a contract is generated or a purchase order is completed.

On-the-Job Training (OJT) contracts are generated, signed and filed in AP vendor file and a copy in the participant file. OJT invoices are generated with each contract. The OJT employer receives invoices which are submitted to SkillSource no more frequently than monthly

Incoming invoices are routed to the Trainer and then to the Manager for review and approval. Once approved, invoices are forwarded to accounting for processing.

Vocational Training (ITA) contracts are completed, signed, and filed by subarea and year initiated. Incoming invoices are submitted by the training institution and routed directly to accounting. The Accounting Assistant verifies each invoice to the participant obligation and codes it with the participant CMS id# and corresponding fund source for entry into the AP system.

Once entered into AP, the obligation information is also updated, including paid to date and outstanding balances.

All other participant related costs - refer to Directive 05-48, Purchase Order Procedure and 14-121 Support Services and Needs Based Payments. Purchase Orders and appropriate request forms are generated, approved, then forwarded to accounting where they are filed alphabetically by vendor till paid. As vendor invoices and/or purchase receipts are received they are forwarded to accounting where they are matched up to the purchase order and related documentation for processing.

Accounts Payable Procedures

1. Accounting Assistant enters invoices into the system and prints a voucher edit report
2. The edit register is reviewed against all the invoices by the Executive or Financial Director. Each invoice is canceled by initialing when verified to the edit register.
3. Accounting Assistant completes necessary corrections, re-prints the edit register and returns to the Financial Director for another review. This process is repeated until all vouchers are correct. All versions of the edit register are saved to an electronic file
4. The vouchers to be paid are selected, checks are printed, and check register report is run and saved to an electronic file. SkillSource uses a three part check consisting of the check and two remittances. Checks are signed by the Executive Director then given to an Office Assistant for mailing. Office Assistant detaches the second remittance, staples it to the documentation and files in the vendor file. Disbursement information is also entered into a manual check register by date and batch.

General Requirements

1. The Financial Director must not handle any cash or checks.
2. No single staff member can create, review and post the same transaction.
3. It is the responsibility of the Accounting department to reconcile the bank accounts on a monthly basis.
4. All financial transactions are subject to audit and must be in compliance with all federal and state regulations and internal policies and procedures.
5. Any exceptions to these procedures must be pre-approved by the Executive Director or designee.