



CATEGORY:	Finance	No. 2.0.407.02
TITLE:	<u>Cash Disbursements</u>	
SUPERSEDES:	July 1, 1999, No. 2.0.407.01	
EFFECTIVE:	February 24, 2023	
BOARD APPROVAL:	February 23, 2023	
DATE OF LAST REVIEW		

I. PURPOSE:

This policy provides guidelines to be followed in administering cash disbursements of all types. These guidelines are intended to ensure consistency and fiscal accountability, segregation of duties, and transparency.

II. DEFINITIONS:

DISBURSEMENT – The payment of cash or cash equivalents (cash, check, electronic) from a fund.

III. POLICY STATEMENT:

As an organization, Workforce Solutions Coastal Bend must have procedures for effectively managed fiscal procedures. To establish procedures to be followed in processing of accounts payable vouchers and manual cash disbursements:

1. All checks must be pre-numbered and accounted for.
2. Unused checks are to be in the custody of the Chief Financial Officer.
3. Checks are prepared only after the check request has been received and approved by the Chief Financial Officer or Finance Manager.
4. Spoiled checks must be mutilated by stamping the signature block "VOID" with a rubber stamp or writing the word "VOID" over the signature block and notched in the signature line.
5. The practice of drawing checks to "CASH" or "BEARER" is strictly prohibited.
6. The signing of checks before they are made out is strictly prohibited.
7. All checks must be signed by two authorized signers on the accounts, either the President & CEO, Chief Operating Officer, Chief Financial Officer, Finance Manager, or an officer of the Board (Board member). Any checks or demands for money and notes of the corporation over \$50,000.00 shall be signed by an officer of the Board and one of the following: The President & CEO, Chief Operating Officer, Chief Financial Officer, or the Finance Manager. For electronic payments a periodic list (weekly, monthly, etc.) will be produced and provided to President & CEO, Chief Operating Officer, and for items over \$50,000 an elected officer of the Executive/Finance Committee.

8. Refer to Policy No. 2.0.109.01 (Expiration of Checks) for stop payment procedures.
9. All bank accounts shall be reconciled by the accountant.

Cash disbursements may be classified as, but are not limited to, one of the following:

1. Miscellaneous disbursements from other income.
2. Regular vendor payments and payments to professional service providers.
3. Payments to major classroom training Sub-Contractors.
4. Payroll disbursements.
5. Travel expense reimbursements.

IV. PROCEDURES:

Payments to Sub-Contractors, Individual Referrals, Individual Training Accounts

Payments to Sub-Contractors, Individual Referral, Individual Training Accounts contractors must be made in accordance with the terms and conditions outlined in each contract.

The Accountant has been charged with the responsibility of maintaining Sub-Contractors, Individual Referral, Individual Training Accounts contractor files and initiating requests for payment, providing adequate funds are available for making said payments.

The Sub-Contractor budget/expenditure records are reconciled on a monthly basis by the Finance Manager and approved by the Chief Financial Officer.

Payroll Disbursements

To establish efficient and expedient methods in processing payroll disbursements through an automated data processing system. The Coastal Bend Workforce Development Board (the Board) shall:

1. Establish a separate bank account for exclusive use of payroll transactions.
2. Account for every payroll account check.
3. Maintain a summary Payroll Report File.
4. Keep a computerized net register which must be verified by the Finance Manager before payroll journal and checks are printed. The Finance Manager and/or Accountant shall review the time sheets and the actual computer printout to ensure that the payroll transactions were keyed in correctly. Upon review, the Finance Manager shall sign and date the actual computer printout signifying the correctness of the printout.
5. Allocate each employee's salary to each grant based on the Board's cost allocation plan.

Cash Disbursement – Regular Vendor

1. Stamp invoice received by the Administrative Assistant and forward to Chief Financial Officer or Finance Manager.
2. Review invoices – Chief Financial Officer or Finance Manager & Accountant.
3. Forward invoices to appropriated Accountants or Accounting Assistants.
4. Compare price & quantity received – Accountants and Accounting Assistants.

5. Prepare A/P Voucher – Accountants and Accounting Assistants.
6. Approve invoice for payment – Chief Financial Officer, Chief Operating Officer, or President & CEO.
7. Review unposted A/P report – Accountant and Finance Manager.
8. Prepare checks – Accountant.
9. Review check & revised unposted A/P report – Chief Financial Officer or Finance Manager.
10. Sign checks & review pertinent documents – President & CEO, Chief Operating Officer, Chief Financial Officer, Finance Manager, the Board Chairman, Treasurer, or Secretary.
11. For electronic payments a periodic list (weekly, monthly, etc.) will be produced and provided to President & CEO, Chief Operating Officer, and for items over \$50,000 an elected officer of the Executive/Finance Committee.
12. Mail checks – Accounting Assistant.

Cash disbursement – Sub-Contractors/Individual Referrals/Professional Services

1. Receive Request & date requests – Administrative Assistant or Accountant.
2. Review Requests – Chief Financial Officer, Finance Manager, and Accountant.
3. Date Requests received by Finance Department- Accountant.
4. Review Request & all pertinent documents – Accountant.
5. Prepare A/P Voucher Form – Accountant.
6. Review A/P Voucher For accountability – Chief Financial Officer or Finance Manager and Accountant.
7. Approve A/P Voucher & unposted A/P report – Accountant and Finance Manager.
8. Revise unposted A/P report- Accountant.
9. Compare original & revised unposted A/P report- Accountant or Finance Manager.
10. Initial the revised unposted A/P report – Accountant and Finance Manager.
11. Approve invoices for payment – Chief Financial Office or Finance Manager, Chief Operating Officer, or President & CEO.
12. Post unposted A/P batch- Chief Financial Officer or Finance Manager.
13. Prepare checks – Accountant.
14. Review checks & revised unposted A/P report – Chief Financial Officer or Finance Manager.
15. Sign checks- President & CEO, Chief Operating Officer, Chief Financial Officer, Finance Manager, the Board Chairman, Secretary, or Treasurer.
16. For electronic payments a periodic list (weekly, monthly, etc.) will be produced and provided to President & CEO, Chief Operating Officer, and for items over \$50,000 an elected officer of the Executive/Finance Committee.
17. Mail checks- Accounting Assistant II.

Processing checks from A/P

1. A current Balance Sheet is printed and Accounts Payable invoices totals posted.
2. Cash Requirement Report is printed and examined to ensure no negative checks are printed.
3. Invoices for payment are selected.

4. Preliminary Check Register is printed and examined to ensure the correct vendors are being paid.
5. Selected invoices for payment are modified and the Preliminary Register is printed.
6. Checks are printed and verified for accuracy.
7. Checks are copied and copies are attached to the backup documentation.
8. A/P checks are posted by Chief Financial Officer or Finance Manager.
9. All checks over \$50,000.00 are tagged and put in the safe until they are ready to be signed.
10. For electronic payments a periodic list (weekly, monthly, etc.) will be produced and provided to President & CEO, Chief Operating Officer, and for items over \$50,000 an elected officer of the Executive/Finance Committee.
11. Beginning and ending cash amounts are reconciled; the difference should be the amount of checks that were cut.
12. Beginning and ending A/P are reconciled; the difference should be the amount of checks that were cut.
13. All reconciliations are submitted to the Finance Manager for approval.

Check Disbursement Procedure

1. Balance Sheet is printed.
2. Disbursement checks are processed and examined for accuracy.
3. The original check and backup documentation are submitted to the Finance Manager for approval.
4. Disbursement checks are posted and a Balance Sheet printed.
5. Beginning and ending cash amounts are reconciled with the difference being the amount of the checks that were cut.

V. RELATED POLICY INFORMATION:

- 2.0.207.02 Check Signature
- 2.0.109.01 Expiration of Checks
- 2.0.203.00 Internal Controls
- 34 CFR 76.702; 2 CR 200.302; 2 CFR 200.306(b); 2 CFR 200

VI. RESPONSIBILITIES:

Board Staff shall ensure that Fiscal employees are aware and comply with this policy and rules as outlined in the Procedures and Related Policy Information documents.

VII. FORMS AND INSTRUCTIONS: N/A

VIII. DISTRIBUTION:

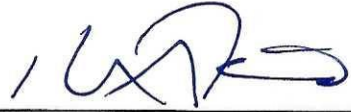
- Board of Directors
 Board Staff
 Service Provider Staff

IX. SIGNATURES:



Reviewed by EO Officer

2/24/23
Date



President/CEO

02/24/2023
Date