

TRANSACTION FLOW DOCUMENTATION FORM

Statement of Financial Position Date – 6/30/2020

Audit Area Disbursements

Transaction Classes **CASH DISBURSEMENTS**

1. How and by whom are transactions initiated and authorized?

Who opens the mail?

Finance Officer picks up mail at post office and opens it, unless posted to a specific Board member. In that case, mail is delivered or distributed at convenience of Board member and FO.

Who reviews invoices & enters into payable system?

Finance Officer reviews all mail and confirms with appropriate director or GM that services have been rendered as invoiced.

Who approves invoices, and how is approval noted?

Approval based on confirmation of services rendered and noted on invoice. Voucher prepared for approved invoices

Who can sign check?

All vouchers require two signatures. Signature sheet is updated annually at December meeting, when elections occur, and new directors (if any) are seated.

How do you verify that all payables as of June 30th of each year are entered into the system for financial reporting purposes?)

Finance Officer reconciles county reports with submitted vouchers to ensure all information is entered appropriately.

2. Describe the accounting processing steps from initiation to inclusion in the general ledger. (How are invoices allocated to the different programs? What documents do the accounts payable staff use to substantiate the allocations?)

District only operates 4000 object codes. We have only one program, road maintenance. All invoices reflect this single function. Original invoices are used to substantiate allocations.

3. Supporting documents involved are as follows:

Invoices from vendors based on formal contracts or agreements, time sheets from GM/independent contractor as appropriate.

4. Subsidiary journals or ledgers involved are as follows:

No subsidiary journals or ledgers are maintained. Finance Officer summary is prepared to summarize 12-14 pages of reporting from county.

5. Please briefly describe your purchasing procedures, including how management goes out to bid for projects, who approves the proposals, and how the district determines when an RFP must be issued. If there are certain thresholds for purchasing limits, please indicate what these are.

Expenditures are discussed at Board meetings and confirmed with Board. For large road contract, General Manager creates a bid package and manages its distribution after being authorized by Board to do so. District participates in CUCCPA, so thresholds are consistent with these guidelines.