

NORTH WHATCOM FIRE AND RESCUE

FIRE DISTRICT POLICY AND PROCEDURE

Number: 0500.0001.00

Date: 7/2/09

Area: Financial Management

Page: 1 of 5

Subject: Warrant Payments

Approved:

1.0 General

The safeguarding of public funds is of the utmost importance within public agencies. It is incumbent on any public agency to ensure that internal controls are adequate, and will prevent or detect non-compliance or misuse of public funds, in a timely manner.

2.0 Purpose

The purpose of this policy is to establish guidelines for the efficient, prudent management and disbursement of funds by means of the warrant payment process in accordance with RCW 52.16.050.

3.0 Scope

This policy applies to all fire district members who process, approve or sign warrants on behalf of the district.

4.0 Policy

It is the policy of NWFR that procedures be established and all district members comply with the established procedures in order to maintain an accurate record of all warrants issued.

4.1 Definitions

BARS Manual: A manual issued by the Washington State Auditor's Office to prescribe accounting, budgeting and reporting requirements for all local governments. Manuals include the prescribed uniform charts of accounts, accounting and budgeting policies, guidance for preparation of financial statements and instructions for preparation of supplemental schedules required by the State Auditor's Office.

BARS Number: A number identifying a specific account as outlined in the district annual budget in accordance with the BARS Manual.

Disbursement of funds: The issuance of a warrant for any item purchased or any service rendered to NWFR.

Vendor: An individual or business that provides a product or service to the district for financial reimbursement.

Cancels: New

Revised:

Reviewed:

NORTH WHATCOM FIRE AND RESCUE

FIRE DISTRICT POLICY AND PROCEDURE

| | | | |
|-----------------|-----------------------------|------------------|---------------|
| Number: | 0500.0001.00 | Date: | 7/2/09 |
| Area: | Financial Management | Page: | 2 of 5 |
| Subject: | Warrant Payments | Approved: | |

Vendor Number: An identifying number, specific to a vendor, issued by Whatcom County.

Warrant: A written order, usually on a standard printed form, directing a bank to pay money. Same as a check.

4.2 Policy Statement

4.2.1 It is the policy of North Whatcom Fire and Rescue (NWFR) to manage the warrant process with a maximum degree of security which would make it impossible for any kind of non-compliance or misuse of public funds.

4.2.2 This policy applies to the following NWFR account funds:

- 721EXCA – Expense Account
- 72130CA – Capital Projects
- 72131CA – Capital Projects Facilities
- 72132CA – Capital Projects Apparatus
- 72141CA – Capital Projects Volunteers

5.0 Procedures

5.1 Invoice Procedure

5.1.1 When the district receives a vendor's invoice, the invoice shall immediately be stamped with the date received on the top right hand corner.

5.1.2 The following information shall be provided on the bottom right of the invoice (or wherever space allows):

- Vendor Number
- BARS Account Number
- Approval Signature

5.1.3 The following items shall be stapled to the invoice:

- Requisition
- Purchase Order
- Signed and Stamped Packing Slip

5.1.4 When all required documentation is received, the invoice shall be entered into the NWFR Accounting System.

Cancels: New

Revised:

Reviewed:

NORTH WHATCOM FIRE AND RESCUE

FIRE DISTRICT POLICY AND PROCEDURE

| | | | |
|-----------------|-----------------------------|------------------|---------------|
| Number: | 0500.0001.00 | Date: | 7/2/09 |
| Area: | Financial Management | Page: | 3 of 5 |
| Subject: | Warrant Payments | Approved: | |

5.1.5 Completed invoices shall be presented to the Fire Chief and the Assistant Chief for validation and signature. If the Fire Chief or Assistant Chief is unavailable, a Division Chief will be authorized to sign. Each invoice shall have the approval of two managers before the voucher is prepared and the warrants issued.

5.1.6 The Business Manager shall make changes to the vouchers resulting from the review by the Fire Chief and a voucher will then be prepared.

5.2 Voucher Preparation

5.2.1 Posted invoices shall be exported from the Accounting System to the Excel blanket voucher template. Each invoice to be paid is as a voucher and the summary of all vouchers that is submitted to the Board for approval is called a blanket voucher.

5.2.2 The blanket voucher template shall include, at a minimum, the following items:

- Fire District Name
- Blanket Voucher Date
- Cost Center
- Voucher Total
- Period of Purchase End Date
- Signature Line for Each Commissioner
- Signature Line for the Board Secretary
- Check Number for each line item Vendor ID for each line item
- Invoice Number or Identifier for each line item
- Vendor Name for each line item
- Object Account for each line item
- Payment Amount for each line item
- Each page beyond the cover shall include a line for each commissioner to initial

5.3 Voucher Approval

5.3.1 The blanket voucher shall be submitted to the Board of Fire Commissioners for approval and signature at their next regularly scheduled meeting.

5.3.2 The invoices listed on the voucher being submitted shall be available for review by the commissioners prior to approval.

Cancels: New

Revised:

Reviewed:

NORTH WHATCOM FIRE AND RESCUE

FIRE DISTRICT POLICY AND PROCEDURE

| | | | |
|-----------------|-----------------------------|------------------|---------------|
| Number: | 0500.0001.00 | Date: | 7/2/09 |
| Area: | Financial Management | Page: | 4 of 5 |
| Subject: | Warrant Payments | Approved: | |

5.3.3 The voucher must be signed by a majority of the board members and the District Secretary or his designee for the voucher to be valid.

5.4 Warrant Processing

5.4.1 Vouchers approved by the Board of Fire Commissioners shall be returned to the Business Manager.

5.4.2 The Business Manager shall complete an "Authorization To Book Transfer Federal Tax Funds" form. The form shall then be signed by the District Fire Chief. This form is generated for the purpose of transferring money from the appropriate fund account to an account set up by the Whatcom County Treasurer's Office from which the warrant payments will be issued. This form must be received by the Whatcom County Treasurer's Office by 4:30 p.m., two working days prior to the transfer date.

5.4.3 Once the transfer of funds has taken place, the Business Manager will then process payment through the Accounting System to create the warrants.

5.4.4 The warrants shall be signed by the Fire Chief and the Assistant Chief. If the Fire Chief or Assistant Chief is unavailable, a Division Chief shall be authorized to sign. Each warrant shall require the signature of two managers before the warrant is issued.

5.4.5 At no time shall the preparer of the warrants have the authority to sign any warrant issued.

5.4.6 All warrants shall be copied for district records.

5.4.7 Warrants shall then be mailed to the vendors with a copy of the invoice being paid.

5.5 Warrant Documentation

5.5.1 An individual warrant voucher, generated by the Accounting System, shall be printed for each warrant.

5.5.2 The following items shall be compiled and filed in the appropriate vendor file:

- Warrant Voucher

Cancels: New

Revised:

Reviewed:

NORTH WHATCOM FIRE AND RESCUE

FIRE DISTRICT POLICY AND PROCEDURE

Number: 0500.0001.00

Date: 7/2/09

Area: Financial Management

Page: 5 of 5

Subject: Warrant Payments

Approved:

- Requisition
- Purchase Order
- Packing Slip
- Copy of the Warrant

5.6 Warrant Security

- 5.6.1 Unused warrants, along with the printer used to print the warrants, shall be kept in a locked cabinet in the Business Manager's office.
- 5.6.2 The office of the Business Manager shall have only two keys, one will be in the possession of the Business Manager and the other will be kept by the Assistant Chief.
- 5.6.3 The door to the Business Manager's office shall be locked when the Business Manager is not on-duty.

6.0 Control Mechanisms

It shall be the responsibility of the Business Manager to review this policy and procedures whenever necessary, but in no instance shall such review be less than annually.

It is the responsibility of the Business Manager to establish qualified subordinate staff to contribute in the preparation and distribution of all warrants.

6.0 References

- RCW 52.16.050 Disbursal of funds – Issuance of warrants – Monthly reports

| | |
|-----------|------------------------------------------------------------------------|
| Approved: | |
| | Chairman, Board of Fire Commissioners North Whatcom Fire and Rescue |
| Date: | |

Cancels: New

Revised:

Reviewed: