

AUDIT & PAYMENT PROCEDURES

Section 1. Purpose

The Agency desires to ensure that Agency funds are used and expended only for the payment of valid claims, and the purpose of this policy is to establish a procedure for the processing and payment of claims.

Section 2. Definitions

The following terms shall have the meanings indicated below:

(A) *"Claim"* shall mean a written and itemized bill, account or demand for payment of moneys due for services rendered or goods and materials furnished to the Agency, together with a properly completed voucher.

(B) *"Voucher"* shall mean a form required by the Agency, prepared and executed by a claimant and submitted with a claim, and which contains a certification by the claimant that the information contained in the claim is true and correct, that the services were rendered or supplies furnished as stated therein, that no part thereof has been paid, and that the amount stated is actually due and owing.

(C) *"Warrant"* shall mean a document summarizing those claims which have been audited and approved for payment by the Agency, authorizing the Treasurer to pay the same, and which shall include the following information for each claim audited and approved for payment:

- (1) the number of the claim;
- (2) the name and address of the payee,
- (3) the payee's social security number or federal i.d. #
- (4) the amount allowed,
- (5) the fund and appropriation account chargeable; and
- (6) any other relevant information to facilitate payment.

Section 3. Audit of Claims Required

- (A) Subject to the exceptions contained in section 5 hereof,
- (1) no claim shall be allowed or approved for payment unless the same shall have been approved by the Agency officer or employee who gave rise to the claim, and
 - (2) all claims shall be audited by the Agency Board.

(B) The Agency shall make every effort to expedite the payment of claims in order to take advantage of discounts offered by vendors for prompt payment, including but not limited to notifying vendors of the schedule of review by the Agency Board at its

regularly scheduled meetings so that the vendors may conform their billing cycles to permit prompt action.

Section 4. Audit Procedures

Audit of each and every claim shall be performed by the Agency Board and shall include:

- (A) ascertaining that the claim is
 - (1) complete, including
 - (a) submission of all necessary supporting documentation,
 - (b) contains sufficient detail (dates, descriptions, accounts)
 - (c) payee's name, address and federal i.d. #, and
 - (d) signature of payee's rep and Agency officials
 - (2) mathematically correct, and
 - (3) agrees in all respects with the purchase order or contract upon which it is based
- (B) confirming that the goods were received or service rendered;
- (C) checking all supporting documentation such as delivery tickets and receipts for reimbursable expenses;
- (D) confirming that the purchase was properly authorized by the appropriate Agency official or employee:
- (E) ensuring that the payment is for a valid and legal purpose- and
- (F) ascertaining that there are available unencumbered funds, or that a transfer of funds has been made if needed.

Section 5. Exceptions to Audit

- (A) In accordance with the State Comptroller's policy, the following claims shall not ordinarily be subject to the pre-audit and approval procedure before payment is made:
 - (1) payment of agreed wages or compensation to regularly engaged employees and officers,
 - (2) payment of principal and interest on indebtedness,
 - (3) payments made pursuant to a court order,
 - (4) amounts becoming due on a contract for a period exceeding one year, and
 - (5) payments by the Agency as a participating employer to
 - (a) a State retirement fund,

- (b) a health insurance plan, and/or
- (c) an unemployment insurance fund.

(B) The payment of expenses such as utilities, postage, freight, telephone charges, and conference registration/attendance charges may be made prior to audit provided that the same are audited and approved by the Agency Board within ten (10) business days following payment.

Section 6. Payment of Audited & Approved Claims

After a claim has been audited and approved for payment, and the Agency Board members have executed a warrant, the Agency Treasurer shall have the authority to make payment thereof.

Adopted by CRC Board of Directors March 17, 2011
Re-Adopted by CRC Board of Directors March 28, 2012
Re-Adopted by CRC Board of Directors March 26, 2013
Re-Adopted by CRC Board of Directors March 26, 2014
Re-Adopted by CRC Board of Directors March 25, 2015
Re-Adopted by CRC Board of Directors March 23, 2016
Re-Adopted by CRC Board of Directors March 23, 2017
Re-Adopted by CRC Board of Directors March 21, 2018
Re-Adopted by CRC Board of Directors March 27, 2019