

Title: **Cash Disbursements**

Effective Date: 8/8/17

References: Utah Code 51-7, State Money Management Act  
Utah Administrative Code, Rule R25-7, Travel-Related Reimbursements for State Employees  
Utah Code 67-16, Utah Public Officers' and Employees' Ethics Act

### Purpose and Scope

This policy is to establish requirements and guidelines governing the initiation, authorization, and review of all disbursements of IEA funds. See IEA Procurement Policy for the requirements and guidelines governing purchasing and expenditures.

### Policy

#### **General**

1. All checks or blank check stock, credit/purchase cards, access to bank accounts and statements, etc. shall be secured and controlled by the business office with limited access.
2. Checks must be made payable to specified payees and never to "cash", "bearer", or signed in blank.
3. All disbursing of funds (except credit or purchase card purchases as described below) should be done through the business office.
4. All disbursement activity should be substantiated by supporting documents, such as a purchase order, invoice, receipts, quotes, reimbursement forms, shipping documents, contracts, travel forms, etc. Documents should be available for review by all persons approving and signing disbursement documents (checks, wire transfers, etc.)
5. Regardless of the method of payment, all disbursements (excluding payroll checks) over \$5,000 must be approved and signed by two authorized signers (see General Accounting and Finance Policy). Disbursements of \$5,000 or less may be approved and signed by one authorized signer, which should be the Director unless he/she is unavailable and the disbursement cannot wait until he/she is available.
6. Use of a signature stamp is not permitted.
7. All expenditures made using cash, checks, credit/purchase cards, electronic fund transfers, automatic payments, etc. shall be recorded in the accounting records.
8. Bank and credit card statements should be reviewed and accounts reconciled in a timely manner.
9. Purchases of goods or services with IEA funds for personal use or personal gain are strictly prohibited.
10. If a check needs to be voided, the word "VOID" should be written on the check, and the actual check shall be retained by the business office.

11. Monthly, a reconciliation should be performed on all IEA bank, investment, cash and credit/purchase card accounts. The reconciliation of each bank, investment and cash account should be reviewed and approved by a member of the board audit or finance committee.

### **Credit/Purchase Cards**

1. Card users shall follow IEA and state purchasing policies and comply with the Utah State Tax Commission's guidelines regarding use of IEA's sales tax exemption status number.
2. Purchases exceeding \$500 made using the credit or purchase card should be pre-approved according to the Procurement Policy, using an expenditure authorization form, prior to making the purchase.
3. If a card is issued to IEA as a whole, a log will be kept documenting which employee checked out the card and the period of time the card was checked out. Receipts shall be retained for all purchases and turned into the business office with appropriate approvals. Card reconciliations should be performed monthly to ensure all receipts are present and all purchases have been made in accordance with policy.
4. If cards are assigned to specific employees, the card user shall retain all receipts for purchases made. The card user shall review and reconcile the card statement activity each month and attach all receipts to the card statement. The card user should sign their card statement certifying that all purchases have been made in accordance with policy.
5. Individual expenditures made on purchase or credit cards shall be recorded in the accounting records. The issuance of a check or an electronic funds transfer to pay the monthly card statement balance shall be documented and approved as per this policy prior to issuance.
6. ATM transactions, cash advances, and personal use are strictly prohibited.
7. Violation of purchase card policy, including not retaining documentation of purchases or making personal purchases, may result in card cancellation, disciplinary action, or criminal prosecution.
8. Transaction, daily or monthly limits will be established based on purchasing authority (see Procurement Policy).
9. If the card is lost or stolen, immediately contact the appropriate authority.

### **Travel and Mileage Reimbursement**

1. Lodging, airfare, taxi, parking, or other transportation and baggage fees paid by the employee require receipts to be reimbursed. Expenditures not supported by receipts will not be reimbursed, unless expressly approved by the employee's supervisor.
2. Employees shall be reimbursed for food while on out-of-town travel on a per diem rate rather than by actual costs at the rates and travel periods established in Utah Administrative Services Rule R25-7.
3. Mileage reimbursement rate shall be established from time to time by the Director and approved by the Board. By default, the mileage reimbursement rate shall be that rate for employee travel published by the Internal Revenue Service for the period of travel.
4. Administration shall implement appropriate procedures for travel and mileage reimbursements, including documentation, authorization, approval and submission.

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