I. PURPOSE

To establish specific responsibility within the Department of Corrections (DOC) for efficient and uniform accounting procedures governing issuance of checks, warrants, and vouchers.

II. DEFINITIONS

A. Warrant: A voucher authorizing payment or receipt of money.

III. POLICY

A. Internal Control

Internal controls shall be established to assure that no individual creates an obligation to certify vouchers for payment or to authorize transfers against allotted funds without proper authorization. Duties and functions must be segregated to assure separation between authorization, record keeping, custody of resources, and review to provide proper internal checks and balances on performance.

B. Requirements for Purchase Orders

Checks, warrants, and vouchers shall not be issued unless the legality and propriety of all stages of the transaction have been assured. Purchase orders will be required in accordance with the Department of Administrative Services purchasing policies and the DOC rule on Purchasing (OAR 291-164) and Purchasing-Work Programs (OAR 291-164).

C. Incurring the Obligation

For the State of Oregon to pay a claim, certain requirements must be met, including:

1. Properly authorized purchase under state law and the department’s rule on Purchasing (OAR 291-163). The document will specify commodities or services required and certify that funds are available for purchase.
2. Receipt of goods or services will be verified by warehouse staff or other authorized person, who will document the receipt by signature or electronic receiving. Electronic receiving will be input without delay. Signature receipts will be sent to Central Accounting within two working days to assure the payment of the claim is not delayed.

3. Invoices from a vendor will be verified for ordering and receiving information to assure proper payment of the claim.

D. Preparation of the Voucher

After gathering proper documentation, a voucher is prepared by Central Accounting. Warrant requests and accounting data will be sent electronically to Department of Administrative Services for issuance of a warrant. Warrants are returned to Central Accounting and mailed to the vendor with a copy of the voucher for payment of material and services.

1. Paid Voucher File: All paid vouchers and supporting documentation will be filed and retained for the period of time specified by the Secretary of State, State Archivist.

2. Processing of Warrants and Checks: Warrants received from Department of Administrative Services in response to the vouchers submitted will be verified individually against the transmittal list and forwarded to the vendor along with a copy of the voucher.

E. Checks

1. Revolving Fund (Petty Cash):
   a. All ODOC petty cash checks, unless otherwise specified, shall be controlled and issued by the Central Accounting unit. In specified situations or due to geographic location, the ODOC Fiscal Services Administrator may approve direct issuance of petty cash checks by a functional unit. These situations require close controls to maintain budget and accounting requirements.
   b. Vendors will be paid primarily by vouchers. Certain circumstances, such as requirement for immediate payment or small dollar amounts, may necessitate issuance of a petty cash check.
   c. All approved back-up documentation will be maintained on file in the Central Accounting Unit until audit and record retention requirements are met. Checks will be reconciled monthly to the State Treasury Statement of Account, including identification of outstanding checks.

2. Trust Checks:
   a. All DOC trust checks, unless otherwise specified, will be controlled and issued by the Central Trust unit. In specified situations or due to geographical location, the Fiscal Services administrator may approve
direct issuance of trust checks by a functional unit. These situations require close controls to maintain budget and accounting requirements.

b. Checks will be issued only from properly authorized withdrawal requests or notification of release. No check will be issued for less than $1.

c. All back-up documentation will be maintained by the Central Trust unit for a period to meet Secretary of State, State Archivist rules and the department’s retention requirements. Checks will be reconciled monthly to the State Treasury Statement of Account, including identification of outstanding checks.

3. Authority to Sign Checks:

a. Staff authorized to sign checks will be limited to the Fiscal Services administrator or his/her designee(s). Signature authorization forms will be maintained for all authorized staff at the Oregon State Treasury and in the Fiscal Services Administrator’s office.

b. Notwithstanding the above procedures, as electronic approval methods are implemented by the department, the authorized employee’s confidential sign-on identification number will be considered the equivalent of his/her formal signature and be equally acceptable.

III. IMPLEMENTATION

This policy will be adopted immediately without further modification.

Certified: ____________________________________________
Birdie Worley, Rules Coordinator

Approved: ____________________________________________
Mitch Morrow, Deputy Director