

Summer Board Orders, Closing Local School District Accounts, Maintenance Reserve Accounts, etc.

The plan is to run HUUSD vendor check payments each Wednesday starting the first week in July. The Board Voucher and Check Listing, including the payee, check number and amount paid, will be sent electronically to the designated board member for review and approval.

The designated board member should review the listing(s), indicate any payments where there are questions needing follow up, and authorize payment of the board order, indicating any payments not approved pending further information, via return e-mail to the HUUSD fiscal services staff within 48 hours of receipt.

It has been a longstanding practice that a designated board member thoroughly examines all the invoice(s) and documentation as part of authorizing payment.

In accordance with Title 16, Section 563, "The school board may authorize a subcommittee, the superintendent of schools, or a designated employee of the school board to examine claims against the district for school expenses and draw orders for such as shall be allowed by it payable to the party entitled thereto." I am adding a step to our fiscal internal control process which is a full review of the board order, invoices and supporting documents by myself, or my designee, weekly, prior to sending the designated board member the Board Voucher and Check Listing. This review will not be conducted by any staff that processes payments. Given the necessity to issue weekly payments and the likely size of the HUUSD board order, it seems most feasible to have this approach which is accepted by our financial audit firm. Should the board still desire to have a board member conduct a thorough review, it would be necessary to have a board member(s) committed to reviewing the board order and supporting materials at central office weekly, the same day each week, which will likely take 1-3 hours.

Nancy Myrto, the HUUSD Treasurer, will review the check listing, designated board member approval and sign all checks authorized as the HUUSD Treasurer each week.

Board orders approved for payment weekly will be brought forward by the designated board member for approval at the next regularly scheduled HUUSD board meeting.

Payroll is issued every other week. On payroll weeks, Nancy Myrto would review board warrants and the check listing and sign both payroll checks and liability payments for tax withholding and employee benefits.

We are establishing Maintenance Reserve accounts under HUUSD in the names of the schools who established them as well as a Maintenance Reserve account for HUUSD effective July 1st.

The plan is that checks will not be issued after June 30<sup>th</sup> from the operating accounts for all school districts. These accounts will be closed on or about August 15<sup>th</sup>, once all checks are cleared and the draft audit work is completed. At that time we will request local school district Treasurers close the school district accounts and transfer remaining funds to HUUSD. We still have to transfer activity accounts into the name of HUUSD and are working on this as well.