



FINANCE POLICY DISBURSEMENT OF FUNDS

EFFECTIVE: November 1980
REVIEWED: June 2012
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RELATED POLICIES: [Purchasing](#)

POLICY

The College has a centralized accounting function, but prior to any payment being released, each transaction must be reviewed and authorized through several areas. Different types of transactions follow varying paths and are described in the sections pertaining to them specifically. This procedure relates to all transactions and, therefore, is given in general terms.

PROCEDURE

The first step in the disbursement of funds is the responsibility of the person requesting goods or services. Before requests are initiated for goods or services, ensure that:

1. The goods or services have been budgeted for and that sufficient funds are and will be available to meet all other commitments;
2. The purchase of the item is not in violation of any policy;
3. Purchasing guidelines are followed;
4. The requisition or other financial form is completed properly and that a valid coding is quoted (Coding of Financial Transactions);
5. That the goods are for use in the program for which the individual is responsible.

The requesting party should then obtain the signature of an authorized spending authority officer who is responsible to ensure the above conditions have been met.

If the document requests immediate payment, the spending authority, by signing the document, is also guaranteeing that:

1. The work has been performed, the goods have been supplied or the services rendered, as the case may be. In a request for pre-payment, the spending authority is ensuring that the goods will be supplied;
2. The price charged is according to contract, or if not specified by contract, is reasonable;
3. Supplies and services are in accordance with contract specifications and that all the terms and conditions of the contract have been met; and,
4. Charges not payable have been eliminated and the computation of the amount payable is correct.

Financial Services acts only in an audit function and, once the spending authority has signed the document, the responsibility for the expenditure/disbursement has been met.