



**SAN LUIS OBISPO COUNTY OFFICE OF EDUCATION
ACCOUNTS PAYABLE (AP) AUDITING PROCESS
AS OF JULY 1, 2014**

Reference: Education Codes 42630 – 42636

1. Call in batch number and batch total to AP desk voicemail at 782-7215.
2. Fax your signed, certified batch prelist to 546-0654 or scan and email to apayableemail@slocoe.org , by **11:00 a.m. of the DP calendared AP run date** so warrants can be released and processed.
3. Backup should be faxed or scan/email (with your signed, certified batch prelist) for items listed in number 4 below. Backup for other items should not be sent with the prelist, but will be randomly requested for review.
4. Prelists will also be audited for:
 - Line amounts over \$5000 for direct service districts
(Cayucos, Coast, Pleasant Valley, San Miguel, Shandon)
 - Line amounts over \$10,000 for large districts
(Atascadero, Lucia Mar, Paso Robles, San Luis Coastal, Templeton)
5. The prelist will be reviewed and audited to monitor the following objects:

OBJECT	DESCRIPTION
52XX	Travel and Conference Record actual and necessary expenditures incurred by and/or for employees and other representatives of the LEA for travel and conference (<i>Education Code sections 35044 and 44032</i>). Expenditures for employee conferences charged to this object should follow the goal and function of the employee. Object 5200 is designed to capture travel expenses of employees, which may include travel costs to conferences or fees paid for employees to attend conferences. Expenditures for conferences sponsored by the LEA are not coded to this object but are coded to the appropriate object for specific service purchased, such as Object 4300 for food, Object 5800 for caterers, Object 5600 for room rental.
58XX	Professional Services, Consulting Services, Operating Expenditures Record the expenditures for personal services rendered by personnel who are not on the payroll of the LEA. Professional/consulting services are delivered by an independent contractor (individual, entity, or firm) that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short term in nature, normally in areas that supplement the expertise of the LEA. This includes all related expenditures covered by the personal services contract. Record expenditures for services such as printing, engraving and so forth performed by an outside agency. This includes but is not limited to copies made from masters provided by the LEA.
61XX	Sites and Improvement of Sites Record expenditures for each of the following with Function 8500, Facilities Acquisition and Construction: <u>Acquisition of land and additions to old sites and adjacent ways.</u> <u>Improvement of new and old sites and adjacent ways.</u> <u>Payment of special assessments.</u>

62XX	Building and Improvement of Buildings Record costs of construction or purchase of new buildings and additions and replacements of obsolete buildings, including advertising; architectural and engineering fees; blueprinting; inspection service (department or contract); tests and examinations; demolition work in connection with construction of electrical sprinkling, or warning devices; installation of heating and ventilating fixtures, attachments, and built-in fixtures; and other expenditures directly related to the construction or acquisition of buildings. Use with Function 8500, Facilities Acquisition and Construction.
64XX	Equipment Record expenditures for movable personal property, including such equipment as vehicles, machinery, computer systems, and playground equipment, that have both an estimated useful life over one year and an acquisition cost equal to or greater than the capitalization threshold established by the LEA. Piece-for-piece replacements of equipment are recorded under Object 6500, Equipment Replacement. Initial built-in-fixtures that are integral parts of the building or building service system are recorded under Object 6200, Building and Improvement of Buildings.

6. If batch prelist **has not been certified, signed off and received by the 11:00 a.m.** deadline, the batch will not be released for that day's AP run. It will be held until the signed prelist has been received, audited and released on the next calendared AP run date.
7. When a district is **printing any one check over one million dollars** they need to notify the County Treasurers Office three days prior to issuing the warrant. Contact Ms. Brett Law, Treasurers Office at 781-5844.
8. Each AP batch processed by the County Office of Education will have the following wording typed, stamped or pre-typed on a label and put on the last page of each Accounts Payable pre-list:

“I certify that I am a (name of district) District Governing Board currently authorized signer, as duly noticed to the County Superintendent of Schools. As such, my signature on this document represents that all pay vouchers as listed will be promptly drawn for the payment of legally authorized expenses against the proper funds of the District and that there are sufficient moneys in the funds against which the order is drawn to pay it. An itemized bill showing the separate items and price of each is retained in the District Office and shall be available for audit.”

Governing Board Authorized Signer

Date

Batch # _____

Batch Total \$ _____

9. The County Superintendent of Schools and the County Board of Education retain the right to request backup for any order drawn at any time.