

**Resolution 2012-13: 37**  
**Pay Requisition Approval Procedure - revision**

***By Board Chair Giess***

WHEREAS, the Rochester School Facilities Modernization Program Act ("the Act") established the Rochester Joint Schools Construction Board ("RJSCB"), a seven voting member board consisting of equal representation by the City of Rochester ("City") and the Rochester City School District ("District"), as well as a member jointly selected by the City and the District; and

WHEREAS, under the Act, the RJSCB has certain enumerated powers to act as agent for the District, the City, or both; and

WHEREAS, in September of 2011, the RJSCB established a Pay Requisition Approval Procedure ("Payment Procedure" (Resolution 2011-12: 23) in order to detail the operative policy and instructions regarding the process by which invoice pay applications and other pay requisitions (each, a "Pay Requisition") submitted by all of the Board's contractors, vendors, suppliers, and consultants (each, a "Vendor") will be paid; and

WHEREAS, the Payment Procedure was originally established during a time when the project was financed through Bonds and Anticipation Notes issued by City of Rochester and checks were being processed through the District's accounting department; and

WHEREAS, the RJSCB now desires to revise the Payment Procedure to align with the current project financing, through Bonds issued by the County of Monroe Industrial Development Agency ("COMIDA"), and payments being made through the Trustee, Deutsche Bank Trust Company Americas, the paying agent engaged by the RJSCB in March of 2012 (Resolution 2011-12: 81); and

WHEREAS, the RJSCB's Executive Director and its General Counsel have drafted a revised Pay Requisition Approval Procedure, a copy of which is attached to this resolution; and

WHEREAS, the newly revised Pay Requisition Approval Procedure shall assist the RJSCB by clarifying duties and providing internal controls;

**THEREFORE, BE IT RESOLVED:**

1. The RJSCB hereby approves and adopts the revised Pay Requisition Approval Procedure in the form presented at this meeting and attached hereto; and
2. All actions taken by the RJSCB, the Chair, the Treasurer, and the Executive Director pursuant to, in accordance with and to implement the Pay Requisition Approval Procedure are hereby authorized and approved in all respects; and
3. The Executive Director shall provide a copy of the revised Pay Requisition Approval Procedure to the District CFO.

**Second by Board Member Underwood**

**Approved 5-0 with Member Castro away**

# ROCHESTER JOINT SCHOOLS CONSTRUCTION BOARD

## PAY REQUISITION APPROVAL PROCEDURES

(Revised September 10, 2012)

### PURPOSE

The Rochester Joint Schools Construction Board (the "Board") was created by New York State legislation to implement a Facilities Modernization Program ("FMP"). Specifically, Chapter 416 of the 2007 Laws of the State of New York (the "Enabling Legislation") addressed the formation of the Board and authorized Phase I of the FMP. In fulfilling its duties, the Board acts as an agent of the City of Rochester and the Rochester City School District (the "RCSD").

The Board has established this Pay Requisition Approval Procedure (the "Policy") in order to detail the operative policy and instructions regarding the process by which invoices, pay applications and other pay requisitions (each, a "Pay Requisition") submitted by all of the Board's contractors, vendors, suppliers, and consultants (each, a "Vendor") can be paid.

### ARTICLE 1

This Policy includes procedures for paying RJSCB operational expenses and for project expenses paid through BAN proceeds (The Standard Pay Requisition Approval Procedure), and for project expenses paid through Bond proceeds (Pay requisition Approval Procedure for the Trustee)

#### The Processes

1. Standard Pay Requisition Approval Procedure
  - a. The Program Manager shall review all Pay Requisitions to confirm accuracy, completeness and compliance with the terms of the Vendor's contract. Notwithstanding the foregoing, Vendor contracts covered by the Board's Operating Budget (e.g., attorneys, accountants, etc.) shall go directly to the Board's Executive Director (the "Executive Director").
  - b. The Program Manager will then forward all approved Pay Requisitions to the Executive Director.
  - c. The Executive Director shall review all Pay Requisitions to confirm accuracy, completeness and compliance with the terms of the Vendor's contract. The Executive Director shall forward approved items to the Board Chair for approval and payment, with a copy to all Board members for informational purposes.
  - d. The Executive Director shall send to the RCSD Accounting Department each approved Pay Requisition, including a payment voucher and Board Chair's written approval.
  - e. The RCSD Accounting Department shall record all authorized Pay Requisitions in the accounting records of the Board and process the checks for payment.

- f. The RCSD Accounting Department shall forward the checks to the Board Treasurer for his/her signature.
- g. The Board Treasurer shall then obtain a second signature from the Board Chair.
- h. The Board Chair or the Executive Director shall mail the signed checks to the appropriate Vendors.
- i. At its next monthly meeting, the Board shall accept a summary of all approved Pay Requisitions.
- j. The RCSD Accounting Department shall provide a monthly financial statement (the "Monthly Report") showing payments for the month and a year to date summary for each Vendor.
- k. From time to time a random audit of selected vendors invoices will be conducted by the Executive Director and the Program Manager.

## 2. Pay Requisition Approval Procedure for the Trustee

- a. For expenses to be paid from bond proceeds, the Program Manager shall review all Pay Requisitions to confirm accuracy, completeness and compliance with the terms of the Vendor's contract.
- b. The Program Manager will then forward all approved Pay Requisitions to the Executive Director.
- c. The Executive Director shall review all Pay Requisitions to confirm accuracy, completeness and compliance with the terms of the Vendor's contract. The Executive Director shall forward approved items to the Board Chair for approval and payment, with a copy to all Board members for informational purposes.
- d. The Executive Director shall send to Deutsche Bank Trust Company Americas (the "Trustee"), with a copy to the RCSD Accounting Department, each approved Pay Requisition, including a payment voucher and Board Chair's written approval.
- e. The RCSD Accounting Department shall record all authorized Pay Requisitions in the accounting records of the Board.
- f. The Trustee shall prepare checks and send them directly to each Vendor, with a copy to the Executive Director.
- g. The Executive Director shall keep copies of the checks for the Board's files and forward copies to the RCSD Accounting Department.
- h. At its next monthly meeting, the Board shall accept a summary of all approved Pay Requisitions.

### 3. Role of the Executive Director

The Executive Director shall be responsible for implementation of and compliance with this Policy. In addition to the duties described above, the Executive Director and the Program Manager shall conduct random audits of selected Vendor invoices in order to confirm such compliance.

### 4. Role of the Board

- a. The Board Chair shall review each Pay Requisition and promptly provide either comments or approval to the Executive Director.
- b. The Board Treasurer and Chair shall promptly sign each check prepared by the RCSD Accounting Department.
- c. The Board shall review and accept approved Pay Requisitions at its next regular meeting.

### 5. Role of the RCSD Accounting Department

- a. The RCSD Accounting Department shall receive and record all Pay Requisitions sent by the Executive Director.
- b. The RCSD Accounting Department shall transfer funds into the Board's bank account sufficient to pay all approved Pay Requisitions.
- c. The RCSD Accounting Department shall produce the checks for payment and forward them to the Board Treasurer for signature.
- d. The RCSD Accounting Department shall produce the Monthly Report as described above.
- e. The RCSD Accounting Department shall maintain accounting records for the Board sufficiently detailed to account for the costs of all RSMP projects and to allow the Board to prepare final cost reports.

### 6. Role of the Trustee

- a. The Trustee shall process all Pay Requisitions to be paid from bond proceeds and send the checks directly to Vendors.
- b. The Trustee shall furnish the Executive Director with copies of all checks.
- c. Otherwise, the Trustee shall provide all services described in (i) its contract with the Board and (ii) all bond documents for Phase One of the RSMP to which it is a party.