



**JARAMOGI OGINGA ODINGA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**DOCUMENT : PROCEDURES FOR PROCESSING OF FINANCE  
DOCUMENTS**

**DOC. NO. : JOOUST/PAF/FIN/OP 34**

**AUTHORISED BY : DEPUTY VICE CHANCELLOR SIGNATURE: **  
**PLANNING, ADMINISTRATION AND FINANCE**

**ISSUED BY : FINANCE OFFICER SIGNATURE: **

**0.1 DOCUMENT DISTRIBUTION**

S.NO	TYPE	OFFICE
i	Original	QMR
ii	Copy	(DVC), PAF
iii	Copy	FO
iv	Soft Copy	JOOUST Website by password

**0.2 DOCUMENT CHANGES**

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**1.0 Purpose:** This procedure is to ensure efficient, effective and transparent way in the processing of Finance document.

**2.0 Scope:** This framework shall cover the processing of all financial documents in JOOUST.

### 3.0 References:

- i. ISO 9001:2015 Standard
- ii. JOOUST Quality Manual
- iii. International Financial Reporting Standards (IFRS),
- iv. International Public Sector Accounting Standard (IPSAS)
- v. International Accounting Standards (IAS)
- vi. Any other relevant standards as may be directed by the Auditor General.
- vii. JOOUST Statutes
- viii. JOOUST Financial Management Policy Manual
- ix. Government circulars, Acts and Regulations applicable from time to time.

### 4.0 Acronyms, Abbreviations and Definitions

- i. DVC (PAF): Deputy Vice Chancellor (Planning Administration and Finance)
- ii. FO: Finance Officer.
- iii. Head of Department / Chairman of the Department (H.o.D) / (CoD): Includes all heads of academic and administrative Departments.
- iv. IAS: International Accounting Standard.
- v. IFRS: International Financial Reporting Standards.
- vi. JOOUST: Jaramogi Oginga Odinga University of Science and Technology
- vii. LPO: Local Purchase Order
- viii. LSO: Local Service Order
- ix. PRN: Purchase Requisition Note Refers to the official requisitions issued by the
- x.UMB: University Management Board.

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- xi. **VC: Vice Chancellor**, Chief Executive Officer/ Accounting Officer.

**5.0 Responsibility:**

The Finance Officer shall be responsible for the implementation and effective supervision of this documents processing procedure.

**6.0 Method**

**6.1 Processing of Financial Documents.**

- 6.1.2 The user or the department shall initiate and duly fill appropriate financial document e.g. claim, imprest, LPO, LSO. PRN.
- 6.1.3 The respective HoD shall verify the request and authorize the document.
- 6.1.4 The HoD shall forward the authorized document to Finance Department for processing.
- 6.1.5 The FO shall within two days forward the approved document to the DVC (PAF) for authorization for payment.
- 6.1.6 The DVC PAF shall forward the authorized document to the VC for final approval for payment.
- 6.1.7 The FO shall within less than 24 hours pass receive the approval form the VC for processing and final payment.

**6.2 Processing of Account Payables**

- 6.2.1 The FO shall receive all the documents pertaining to the Account Payables from Central Stores and Procurement Department, the documents include LPO, LSO, GRN, inspection report, letter of contract etc.
- 6.2.2 The FO secretary shall authorize the documents within 24 hours forward the approved P.V. to the DVC (PAF) for authorization for payment
- 6.2.3 The FO shall within two days received the approved documents from the DVC (PAF) for final payment.
- 6.2.4 The FO shall forward the signed cheque to the DVC (PAF) for second signature.
- 6.2.5 The FO shall within two days post/send the dully signed cheque to the various customers and entered into or recorded or posted in creditors' ledger

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### 6.3 Revenue Management

- 6.3.1 The FO shall receive all the revenue due to the University.
- 6.3.2 The FO shall receipt the received revenue immediately and official JOOUST receipt issued to the client
- 6.3.3 The FO shall bank all received income to respective Banks immediately.
- 6.3.4 The FO shall file the monthly Bank reconciliations

### 6.4 Processing of Accounts Receivables (Debtors)

- 6.4.1 FO shall invoice all the JOOUST debtors and issue them with serialized invoice receipts
- 6.4.2 FO shall give all the JOOUST Debtors notice within which to settle their Accounts
- 6.4.3 FO shall issue official receipt to the settled accounts/debtors
- 6.4.4 The received money shall be handled as above in **6.3 ( Revenue Management)**

### 6.5 Asset Management

- 6.5.1 The FO shall maintain an inventory of all assets acquired by the JOOUST and update it whenever a new asset is acquired.
- 6.5.2 The FO shall verify the list against the LPO, GRN, Delivery Note, procurement minutes and GRN of all assets acquired.
- 6.5.3 The FO shall produce monthly assets schedules.
- 6.5.4 The FO shall depreciate the assets on a yearly basis on appropriate rate as per the finance manual and prepare the final accounts for consideration by Council.

### 6.6 Petty Cash Management

- 6.6.1 The FO shall approve all document due for payment by petty cash e.g. Claims, Imprest, P.V. etc

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**6.7 Investment Appraisals**

- 6.8.1 FO shall carry out investment appraisals on proposed projects as per JOUST policy and present the same to JOOUST Council for consideration and approval and onward concurrence by the Treasury
- 6.8.2 FO shall bi-annually make recommendations to the principal on Short Term Investments to improve working capital requirements like call deposits, 3 months FDR for action on behalf of Council
- 6.8.3 FO shall ensure consideration is given to the expected return on investment using modern techniques of investment evaluation
- 6.8.4 FO shall ensure the investment so made are retired and realized as appropriate when their terms end.
- 6.8.5 FO shall make proposals on retired investments to be considered for re-investment.

**6.9 General Ledger Transactions**

- 6.9.1 The FO shall ensure there is JOOUST general ledger by end of every quarter.
- 6.9.2 The FO shall prepare the balance carried down to be transferred to the Trial Balance by June 30<sup>th</sup> every Financial Year to form the basis for the preparation of the JOOUST Final Accounts.

**6.10 Preparation of the JOOUST Final Account**

- 6.10.1 The FO shall prepare the Final accounts by 31<sup>st</sup> of July Every Calendar year
- 6.10.2 The FO shall prepare the quarterly yearly final Accounts.
- 6.10.3 The FO shall ensure the Final Accounts shall be prepared in accordance to the IPSAS , IFRS and the IAS
- 6.10.4 The FO shall ensure the annual Final account is remitted to the relevant authorities as required by Law.

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**6.11 Protection of Financial Documents**

- 6.11.1** The FO shall ensure that all finance documents and records are protected in line with relevant procedures. JOOUST/OP/ 01 and JOOUST/OP/02 : Procedure for Control of Documents and Procedure for Control of Records respectively.
- 6.11.2 The FO shall ensure all duly filled and completely processed finance Documents having been audited as per the law shall be moved and store in the archive room.

**6.12 Student Finance Management**

- 6.12.1 The FO shall receive the list of all admitted student in JOOUST together with their fee payment information one month before reporting date.
- 6.12.2 The FO shall invoice all the students appropriately and debit the invoices to the student's ledger as appropriate.
- 6.12.3 The FO shall post student receipts to their respective ledger.
- 6.12.4 The FO shall balance the student's ledger and produce the student balances at the end of every semester.
- 6.12.5 The FO shall produce and issue the students fee statement at the end of every semester.
- 6.12.6 The FO shall maintain documented information pertaining to the student fee payments.

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