



**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: [Signature]**  
**PLANNING, ADMINISTRATION AND FINANCE**

**ISSUED BY : CHIEF FINANCE OFFICER SIGNATURE: [Signature]**

**1.1 DOCUMENT DISTRIBUTION**

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

**1.2 DOCUMENT CHANGES**

DATE	CHANGES	AUTHORIZED BY
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UNIVERSITY OF SCIENCE AND TECHNOLOGY

DEPARTMENT OF FINANCE

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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 frame work shall cover the processing of all financial documents in JOOUST.

### 3.1 References:

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

### 4.1 Acronyms, Abbreviations and Definitions

- i. DVC (PAF): Deputy Vice Chancellor (Planning Administration and Finance)
- ii. DVC (ASAR): Deputy Vice Chancellor (Academic, Students Affairs and Research)
- iii. CFO: Chief Finance Officer.
- iv. Head of Department / Chairman of the Department (H.o.D)/ (CoD): Includes all heads of academic and administrative Departments.
- v. IAS: International Accounting Standards.
- vi. IFRS: International Financial Reporting Standards.
- vii. JOOUST: Jaramogi Oginga Odinga University of Science and Technology
- viii. LPO: Local Purchase Order
- ix. LSO: Local Service Order
- x. PRN: Purchase Requisition Note
- xi. UMB: University Management Board.
- xii. VC: Vice Chancellor, Chief Executive Officer/ Accounting Officer.

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**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.**

- 6.1.1 The user or the department shall initiate and duly fill appropriate financial documents e.g.claim, imprest, LPO,LSO. PRN.
- 6.1.2 The respective HoD shall verify the request and recommend for approval to the VC/DVC (PAF)/DVC (ASAR).
- 6.1.3 TheHoDshallforwardtheauthorizeddocumenttoFinanceDepartmentforprocessing.
- 6.1.4 TheCFOshallwithin24hoursprocessthe payment of the approved document.

**6.2 Processing of Account Payables**

- 6.2.1 The CFO shall receive all the documents pertaining to the Account Payables from Central Stores and the Procurement Department, the documents include, LSO, GRN, inspection report, letter of contract, etc.
- 6.2.2 The CFO shall within two days process the payment of the Accounts Payable.
- 6.2.3 The CFO shall forward the signed cheque to the VC/DVC (PAF)/DVC (ASAR) for second signature as per the approved signing mandates.
- 6.2.4The CFO shall on a monthly basis post/ send the dully signed cheques 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 University revenue shall be received through the designated bank accounts and pay-bill /till numbers
- 6.3.2 The CFO shall receive all the revenue due to the University.
- 6.3.3 The CFO shall receipt the received revenue immediately and an official JOOUST receipt issued to the client
- 6.3.4 The CFO shall bank all received income to respective Banks immediately.
- 6.3.5 The CFO shall review and approve monthly bank reconciliations

### 6.4 Processing of Accounts Receivables(Debtors)

- 6.4.1 The CFO shall invoice all the JOOUST debtors and issue them with serialized invoices
- 6.4.2 The CFO shall give all the JOOUST debtors notice within which to settle their accounts
- 6.4.3 CFO 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 CFO shall maintain an inventory of all assets acquired by the JOOUST and update it whenever a new asset is acquired.
- 6.5.2 The CFO shall verify the list against the LPO, GRN, Delivery Note, procurement minutes and GRN of all assets acquired.
- 6.5.3 The CFO shall produce quarterly assets schedules and reconciliations
- 6.5.4 The CFO shall depreciate the assets on a yearly basis on appropriate rate as per the Finance Policy and Procedures Manual and prepare the final accounts for consideration and approval by Council.

### 6.6 Petty Cash Management

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

## 6.9 General Ledger Transactions

- 6.9.1 The CFO shall ensure there is JOOUST general ledger where financial transactions shall be posted as they occur in the ERP
- 6.9.2 The General Ledger shall be the basis of preparation of the Trial Balance and quarterly and annual financial statements for the University.

## 6.10 Preparation of the JOOUST Final Accounts

- 6.10.1 The CFO shall prepare the Annual Financial Statements for the year ended 30<sup>th</sup> June by 31<sup>st</sup> of July of every calendar year
- 6.10.2 The CFO shall prepare the and submit to Council for approval the quarterly financial statements by the 15th day after the end of each quarter.
- 6.10.3 The CFO shall ensure the financial statements shall be prepared in accordance with IPSAS
- 6.10.4 The CFO shall ensure the quarterly and annual financial statements are remitted to the relevant authorities as required by the Public Finance Management Act, 2012.

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**6.11 Protection of Financial Documents**

- 6.11.1 The CFO 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 CFO 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 CFO 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 CFO shall ensure that all the students appropriately invoiced and that the amounts are debited the students' ledgers as appropriate
- 6.12.3 The CFO shall post student receipts to their respective ledger.
- 6.12.4 The CFO shall balance the student's ledger and produce the student balances at the end of every semester.
- 6.12.5 The CFO shall produce and issue the students fee statement at the end of every semester.
- 6.12.6 The CFO shall maintain documented information pertaining to the student fee payments.

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4.11 Protection of Financial Information

4.11.1 The CFO shall ensure that all financial documents and records are protected in accordance with the provisions of the Information Security Policy (ISPOL) and the Information Security Policy for Confidential Documents and Records for the University of the Pacific.

4.11.2 The CFO shall ensure all data files and computer systems are protected by the University's security policies and procedures.

4.12 Student Financial Management

4.12.1 The CFO shall ensure the University's financial records are accurate and complete with timely and accurate information and monthly reporting data.

4.12.2 The CFO shall ensure that all the student's financial records are accurate and complete and that the student's financial records are accurate and complete.

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