



# HUTTO FIRE RESCUE

## WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT #3

### STANDARD OPERATING PROCEDURES

<p>STANDARD OPERATING PROCEDURE - Administration</p> <p><b>#1-4 (Revised)</b></p> <p>ISSUE DATE: October 1, 2021 EFFECTIVE: October 1, 2021</p>	<p>RESCINDS: #1-4: Fiscal Resources (2009), (2019)</p>
<p>SUBJECT:</p> <p><b>FISCAL RESOURCES</b></p>	<p>AUTHORIZED BY:</p> <p>Williamson County ESD #3 Board of Commissioners</p>
<p>REFERENCE / AUTHORITY: State of Texas Laws State of Texas Statutes</p>	<p>APPLIES TO:</p> <p><input checked="" type="checkbox"/> Full Time Uniformed Staff <input checked="" type="checkbox"/> Volunteer Uniformed Staff <input checked="" type="checkbox"/> Civilian Staff <input checked="" type="checkbox"/> ESD Commissioners</p>
<p>TFCA BEST PRACTICES: Chapter (s) : Item (s) :</p>	<p>CPSE / CFAI ACCREDITATION:</p>



### PURPOSE

Establish fiduciary policies for Hutto Fire Rescue/Williamson County Emergency Services District #3 (Hutto Fire Rescue) which include the handling and safeguarding of public funds.

### BACKGROUND

Financial operations for a political sub-division of the State of Texas require detailed attention to the annual budget, accounting system, cash controls, purchasing protocols, and internal controls. In particular, the Texas Health and Safety Code and the Texas Local Government Code detail the requirements for an emergency services district.

### POLICY

#### ANNUAL BUDGET

- A. One of the most important tasks undertaken by the Williamson County Emergency Services District #3 Board of Commissioners is the adoption of the annual budget. While state statutes do not require a budget be adopted, Williamson County Emergency

Services District #3 recognizes that preparation and adoption of a budget is essential to good financial management.

#### **ACCOUNTING SYSTEM**

- A. Williamson County Emergency Services District #3 shall have an accounting system that accurately records and tracks the receipts of funds from various sources through deposits in financial institutions to payments for services rendered in the way of salaries, purchases of goods or services, reimbursement for contractual expenditures, etc.
- B. The accounting system must correspond to the budget accounts to facilitate regular reports to the Williamson County Emergency Services District #3 Board of Commissioners and to the Williamson County Commissioner's Court, so they can compare current revenues and expenditures against the amounts budgeted.

#### **CASH CONTROLS**

- A. Williamson County Emergency Services District #3 works with its auditor to institute adequate controls to safeguard revenues as well as expenditures of funds to reduce the opportunity for the misuse of funds.
- B. Funds are to be disbursed only by check signed by the Williamson County Emergency Services District #3 Board of Commissioners as outlined in (§775, Health and Safety Code).

#### **ANNUAL AUDIT**

- A. On or before June 1 of each year, Williamson County Emergency Services District #3 shall prepare and file with the Williamson County Commissioner's Court an audit report of the Williamson County Emergency Services District #3 fiscal accounts and records.
  - 1. The audit shall be performed and prepared at the expense of Williamson County Emergency Services District #3.
  - 2. The Williamson County auditor shall have access to the books, records, assets and officials of Williamson County Emergency Services District #3 at any time.
- B. The person who performs the Williamson County Emergency Services District #3 audit and issues the report must be an independent certified public accountant or firm of certified public accountants licensed in the state, unless the Williamson County Commissioners' Court by order requires the audit to be performed by the Williamson County auditor.

- C. The Williamson County Commissioners' Court, on application made to the commissioners' court by the Williamson County Emergency Services District #3 Board of Commissioners, may extend up to an additional 30 days the deadline for filing the audit report from Williamson County Emergency Services District #3.
- D. If Williamson County Emergency Services District #3 fails to complete and file the audit report within the designated deadline, the Williamson County Commissioners' Court may order the Williamson County auditor to perform the audit and issue the report.
- E. Williamson County Emergency Services District #3 shall pay all costs incurred by the Williamson County auditor to perform an audit and issue the report unless otherwise ordered by the Williamson County Commissioners' Court.

**PURCHASING**

- A. Since the acquisition of materials, equipment and supplies or payments for contracted services account for the bulk of all Williamson County Emergency Services District #3 expenditures, sound purchasing and material management procedures are most important to the financial integrity of Williamson County Emergency Services District #3 and to its taxpayers. The Williamson County Emergency Services District #3 Board of Commissioners shall go beyond state statutes to avoid any appearance of impropriety.
- B. Williamson County Emergency Services District #3 shall adopt a written policy governing all purchasing activities. Two key areas that must be covered are the conflict-of-interest laws (Chapter 171, Local Government Code) and the Bidding Requirement (§775.084, Health and Safety Code).

**Internal Controls**

- A. A sound system of internal controls is very important to minimize the possibilities for errors and misuse or loss of funds or equipment. Williamson County Emergency Services District #3 shall establish the following internal controls:
  - 1. All assets of Williamson County Emergency Services District #3 are recorded on an asset register and are regularly inventoried.
  - 2. An appropriate division of duties.
  - 3. Qualified personnel are assigned appropriate responsibilities.

4. Sound procedures are adopted for authorizing, recording, and reporting transactions.

**INVESTMENT POLICY**

- A. By law and statute, Emergency Services Districts are required to adopt, implement, oversee, and update a Financial Investment Policy that protects the tax monies maintained in financial institutions.
- B. The Financial Investment Policy applies to all financial assets and all funds of the District at the present time and any funds of the District held in the future and any other funds held by or in the custody of the District, unless expressly prohibited by law or unless it is in contravention of any depository contract between the District and any depository bank.
- C. Funds of the District will be invested in accordance with:
  1. Federal and state laws.
  2. adopted Financial Investment Policy.
  3. written District administrative procedures.