



Retention Interest Procedure (A&I-P008)

The online version of this procedure is official. Therefore, all printed versions of this document are unofficial copies.

1.0 SCOPE:

- 1.1 This procedure describes the process in which the Accounting and Investments handles retention interest on vendor accounts at the Washoe County School District.

2.0 RESPONSIBILITY:

- 2.1 Chief Financial Officer

3.0 APPROVAL AUTHORITY:

- 3.1 Chief Accountant

(Approval signature on file)

Signature

Date

4.0 DEFINITIONS:

- 4.1 AP – Accounts Payable
- 4.2 Retention Interest- Percentage held back from contractors to make sure contract fully completed.

5.0 PROCEDURE:

- 5.1 The Bond Accountant forwards the file containing the vendors the district owes retention.
- 5.2 Senior Accountant updates the spreadsheet sent from the Bond Accountant to reflect the check date and check number and then calculates the interest on the average daily balance on the retention.
 - 5.2.1 The check date is necessary in calculating the retention interest within the quarter. The check date / payment date must be used to provide accurate retention to the vendor. This process is done on a quarterly basis.
 - 5.2.2 The Chief Accountant provides the quarterly interest rate to the Senior Accountant.
- 5.3 The Senior Accountant prepares a check request for each vendor and forwards to the AP clerks for payment. See AP-P003.
- 5.4 The Senior Accountant forwards the updated spreadsheet to the Bond Accountant.

6.0 ASSOCIATED DOCUMENTS:

- 6.1 AP-P003 – Non-Encumbered Payments Procedure

7.0 RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Retention Spreadsheet	Senior Acct. Office File	6 years	Discard as desired	Locked Office



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8.0 REVISION HISTORY:

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
11/29/05	A	Initial Release
12/28/09	B	Added Section 4.2.

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