

TITLE: ACCOUNTS PAYABLE - GENERAL

POLICY NO: AP100

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EFFECTIVE DATE: 4/15/05

UPDATED: 3/23/07

I. SCOPE

All University Schools, Divisions, Departments, and Affiliated Facilities.

II. INTRODUCTION

The Accounts Payable Department is a service unit of the Business Office. Accounts Payable is responsible for paying all invoices for goods and services purchased by the University. In addition, Accounts Payable is responsible for issuing employee reimbursement checks and for monitoring and coordinating compliance with the University Travel Policy.

Most University expenditures other than payroll are processed through this office. However, not all purchases require the involvement of Accounts Payable.

III. PURPOSE

The primary goal of the Accounts Payable office is to ensure that departmental funds are disbursed and recorded in accordance with accounting principles generally accepted in the United States.

To establish and provide guidelines for the timely and accurate processing of approved invoices for payment of goods and services from internal and external suppliers.

IV. POLICY

The Accounts Payable Department will assist in managing the expenditures made in obtaining the goods and services required by the University.

The Accounts Payable Department will be responsible for producing checks and overseeing payments.

V. PROCEDURE

Invoices and/or requests for disbursement (check requisition, travel advance or statement of travel expense) are submitted to the Accounts Payable office for processing of payment.

An Accounts Payable Clerk will review the documents received to ensure that all required information has been completed and that the request for payment has been approved by the appropriate personnel¹.

In an effort to eliminate duplicate disbursements, disbursements are to be created using original invoices. Payments will not be made from copies, faxes, packing slips or statements without prior authorization by the Controller or Vice President of Fiscal Affairs.

If a disbursement request is received in the Accounts Payable office and is not complete (not an original invoice, missing proper authorizations, incomplete, etc.), the appropriate department will be contacted requesting all necessary information for further processing and an exception notice will be generated. If no response has been received after the first attempt to gather completed information within five business days, a second notice will be issued to the department. If no response is received, a final notice will be forwarded to the departments Vice President for assistance in having the department comply with the University's Policies and Procedures.

Once the Accounts Payable Clerk has determined that all paperwork has been completed, he/she will then input the invoicing information in the accounting system for processing of payment.

Complete and approved invoices and/or any request for disbursements must reach the Accounts Payable department by Monday or Wednesday by 12:00 noon to ensure payment in either Tuesday's or Thursday's check run. Request for payments received after Monday or Wednesday afternoon will delay payment.

Accounts Payable generates payments to vendors and individuals in response to the following approved documents: purchase order or a request for disbursement (Check Requisition, Travel Advance or Statement of Travel Expense).

All non-payroll disbursements are made out of the general operating account. The Accounts Payable Supervisor, with the assistance of the Accounts

¹ An authorized signor would be a vice president, manager or supervisor. In the absence of an assigned signatory, a Delegation of Authority Form must be completed and on file in the Accounts Payable Department.

Payable Clerk, is responsible for reconciling the accounts payable journal to the general ledger.

The general operating account will be reconciled by the General Ledger Accountant monthly.