

Accounts Payable Guidelines – Accounts Payable Committee

#F13-01

Date of Adoption: January 24, 2013

Amended: April 9, 2014, January, 2015

PLEASE UNDERSTAND THESE ARE ANTI-FRAUD GUIDELINES SET UP BY THE COUNTY AUDITORS. IT IS THE RESPONSIBILITY OF THE ACCOUNTS PAYABLE CLERK TO FOLLOW THEM.

WE MUST HAVE PROPER DOCUMENTATION FOR EVERY INVOICE REQUEST.

Incomplete vouchers will be returned to the department.

Per our auditor:

“It is prudent to require actual support for payments. Most expenses should have some type of support (invoice, receipt or otherwise) to document an expense. Even a seminar or other training event will usually have a registration form for number attending, rate etc.” (March 1, 2003 – memo to all Dept. Heads)

WEEKLY CHECK RUN:

Accounts Payable will have one weekly check run. All invoices must be received in the AP Department, **Thursdays by 4:30 PM**. This means that invoices sent by interdepartmental mail must be sent so that they are received by Thursday afternoon. All invoices turned in on time will have their checks generated the following Thursday.

CHECK RETURNED TO YOU:

If you want your check returned to your department, you will have to select this option during your invoice entry. If you do not select this option, your checks will be mailed.

INVOICING

- Every invoice needs an entry.
- ***The Transaction Date*** is the DATE ON THE INVOICE—Not the date you are entering.
- There are **NO TEMPORARY VENDORS** on the new system. You must request a new vendor or request a vendor change on the system. This will then be approved by AP and you will be notified that your vendor is ready.
- ***Invoice Numbers*** Use only the invoice number available. You will not be able to duplicate an invoice number for the same vendor. If there is no invoice number you may create a ***meaningful*** one for your entry.
- The Department Heads will no longer need to sign each invoice. Your electronic signature will give AP approval to process the invoice.
- AP must still have the physical copies of all the invoices (even when we begin to scan) this is per the Auditor’s request. **Your invoices will NOT be processed by AP without the physical invoice.**
- Please make sure that all invoices measure 8.5x11. If your invoice is smaller please tape it on a full sheet of paper. This allows for easier filing/scanning and prevents the invoice from getting lost.

PURCHASE ORDERS:

- **Assets Purchases OVER \$5000.00 MUST be on a Purchase Order:**
- Individual asset items costing over \$5000.00 must be on a Purchase Order.

OTHER INFORMATION:

- **Lost checks-** must wait 10 working days – before it will be reissued. Please contact the AP department when this period has been completed.
- **Checks, Un-Cashed-** If the check is past 90 days – the check may be taken to the Treasurer and it will be initialed by the Treasurer. If the Treasurer decides the length of time lapsed is too long it will be voided and reissued.
- If you receive a check back and you have not been able to locate a new address or the person, the check needs to be voided. **DO NOT HOLD RETURNED CHECKS. Please forward them to the AP Department.**
- **Clothing Reimbursements-** The employee is to purchase his or her clothing to equal the allotted reimbursement amount. Sales tax is not reimbursed. Turn in the detailed receipt with the departmental invoice.

Credit Card Purchases:

- When a credit card is “used” by another department – the online/invoice MUST still be approved by that department. It must have their stamp and signature on it when they forward the paperwork to the credit card holder for payment.
 - **As an alternative,** the card holder may require the “using” department to request such use in writing, in advance of the purchase, complete with appropriate account number. Such prior written authorization assigns approval authority to the card holder. The using department is still responsible for detailed support for items or services purchased with the card.
- All credit card purchases must include a receipt for AP to process the payment.

Petty Cash:

- If a department finds it necessary to issue a hand written receipt, a pre-numbered receipt book should be kept on hand. All numbered receipts should be verified by an individual other than the one issuing the receipts and handling the cash.
- All Petty Cash reimbursements must include receipts.

Remittances:

- If you need something sent with the check – please make sure you send a copy of what you want sent with the check. Remittances are not normally sent if the account number is on the stub.

Sales Tax Exempt:

- We are tax exempt from Michigan Sales Tax – deduct that amount from the invoice if added. If they need a form, indicate on the invoice and AP will send one with the check.

W-9 FORMS: ANY VENDOR THAT SUPPLIES A SERVICE MUST HAVE A W-9 FORM ON FILE – BEFORE PAYMENT IS SENT.

If you receive these forms from your vendor, please forward to the AP dept. The W-9 informs us if the vendor is 1099 applicable for total payments over \$600.00.

TRAVEL REIMBURSEMENT POLICY:

- Proper documentation is required for reimbursement.
- Reimbursements are paid through the regular check run.
- NO check will be issued more than 90 days of the scheduled events due date, unless stated on the registration form.
- If you do not have a detailed hotel invoice you will not be reimbursed.

Meals:

- ✓ No meals in Lenawee County unless PRE-APPROVED by the Department Head. Include names and reason for the meeting for the meal. Any deviations from this please call Accounts Payable.
- ✓ The maximum reimbursement amount for breakfast \$15, lunch \$15, and dinner \$35.
- ✓ You must supply detailed receipts, listing foods/drinks and restaurant name.
- ✓ Credit card charge slips are NOT acceptable. Check before ordering the meal.
- ✓ If you charge a meal to a hotel room, you must supply a detailed receipt.

Hotel:

- ✓ The actual (or copy) of the “Check-Out” invoice from the hotel must be used for reimbursement, or if paid in advanced it needs to be sent to the Accounts Payable office upon your return.
- ✓ The supporting documentation (ex: receipt) is required within 60 days from the completion of the stay. If it is not presented to AP within this allotted time, the employee will be responsible to reimburse the hotel cost to the county.
- ✓ We are only exempt from Michigan Sales Tax. Check with the hotel in advance. Most will only accept a county check with the county tax exempt form.
- ✓ AP will only pay for the hotel stay during the conference dates (documentation is required). All additional days (before or after) will be the employee’s responsibility.

Room Rates/Type of Rooms:

- ✓ Lenawee County reimburses the lowest applicable rate. Where possible reservations should be made at the applicable government rate, these are available at most hotels/motels. Any upgrades or non-standard/non-discounted rooms to be reimbursed by the county require pre-approval by the Accounts Payable Committee.

Mileage:

- ✓ The authorized expense voucher must include date, number of miles and location for reimbursement.
- ✓ Lenawee County Commissioners must list separately taxable and non-taxable mileage.

Mileage Rate:

- ✓ The rate stays current with the IRS standard.

Thank you for your careful attention and compliance with the above guidelines. Please feel free to contact the AP clerk if you have any questions or concerns.