

INTERNAL/DEPARTMENTAL POLICY AND PROCEDURE

TITLE: Accounts Payable Procedures

EFFECTIVE DATE: *November 6, 2015 (**Procedural Update 3/7/18*)

DIVISION: BUSINESS AND ADMINISTRATIVE AFFAIRS (BAA)

CATEGORY: Accounts Payable (E)

RESPONSIBLE DEPARTMENT: Controller's Office

CANCELLATION: none

1. **Purpose**

To publish the College's accounts payable policy and procedures.

2. **Scope and Applicability**

These policy and procedures apply to all budget units of the College.

3. **General Guidelines**

Delgado Community College has established accounts payable policy and procedures in accordance with the College's [Internal Control System](#) policy. The purpose of the College's accounts payable policy and procedures is:

- To establish procedures for the timely payment of invoices from external vendors and internal payments to students, faculty and staff;
- To establish guidelines for implementation of internal controls and procedures for the accounts payable department; and
- To ensure that funds are expended only for official College business.

4. Procedures

A. **Purchasing Process**

1. In compliance with Louisiana Revised Statute 39, Louisiana Procurement Code, and the Governor's Executive Order on Small Purchases, faculty and staff members must follow the methods and procedures mandated by the Office of State Purchasing for all purchases of goods, supplies and services, as outlined in the College's [Purchasing Procedures](#) policy.
2. Each budget unit's Business Office Liaison (BOL) is responsible for entering a requisition in the Banner financial resources system and for obtaining the appropriate approvals for all purchases.
3. The budget unit's BOL is responsible for documenting receipt of the purchase in Banner prior to the invoice being paid.

B. **Invoicing Process**

1. All invoices for payment must be forwarded to the Accounts Payable Office.
2. The majority of payments by the College **must** be supported by a three-way match between a purchase order, an invoice, and documentation of receipt.
3. Exceptions to the three-way match requirement include:
 - Lease payments;
 - Travel pre-payments and reimbursements, which are processed in accordance to the College's [Professional Leave and Travel](#) policy;
 - P-Card transactions, which are processed according to the College's [Purchasing Card \(P-Card\) Program](#) policy; and
 - Professional Services Contract payments, which are processed according to the College's [Contracts for Professional, Personal, Consulting and Social Services](#) policy.

C. **Professional Services**

1. Contracts for professional service are procured, approved and paid for in accordance with the procedures outlined in the College's [Contracts for Professional, Personal, Consulting and Social Services](#) policy.
2. Payments in accordance with the contract's terms of payment are prepared and approved by the Office of the Vice Chancellor for Business and Administrative Affairs.

D. **Direct Pay Vouchers**

1. Direct Payment Vouchers are used for any payment that does not require a purchase order.
2. Direct Payment Vouchers must have an approved invoice and/or other relevant documentation to support the payment request.
3. Direct Payment Vouchers cannot be used to circumvent State Purchasing Rules and Regulations.

E. Student Refunds

1. Student Refunds are processed in accordance with the timeline established by federal regulations.
2. Student Refunds are initiated by the Accounts Receivable Office.
3. The Accounts Receivable Office sends a Banner file to the Accounts Payable Office to process a refund payment.

F. Disbursement Process

1. Once the three-way match verification has taken place, the Accounts Payable Office enters the invoice for payment.
2. Check Cycles are run no less than two times per week.
3. Blank checks are located in a locked storage room in the Accounts payable Office, which has limited and secure access.
4. Each check register is reviewed and approved by the Controller.
5. Any check over \$5,000 is reviewed by the Assistant Vice Chancellor for Financial Services for signature approval.

G. 1099 Reporting

1. Any payments made to an independent contractor or vendor with specific filing status require the College to prepare and mail a Form 1099 after the calendar year end. As per IRS regulations, the College must obtain a completed and signed W-9 Form from the contractor/vendor prior to any payments being made.
2. After the end of each calendar year, a summary of payments made to all 1099 reportable vendors is sent to the IRS electronically.

Policy Reference: Delgado Policy and Procedures Memorandum, [Internal Control System](#)
Delgado Policy and Procedures Memorandum, [Purchasing Procedures](#)
Delgado Policy and Procedures Memorandum, [Professional Leave and Travel](#)
Delgado Policy and Procedures Memorandum, [Purchasing Card \(P-Card\) Program](#)
Delgado Policy and Procedures Memorandum, [Contracts for Professional, Personal, Consulting and Social Services](#)

Reviewed by: Ad Hoc Accounts Payable Policy Committee 11/6/15
Business and Administrative Affairs Council 11/6/15

Approval: Vice Chancellor for Business and Administrative Affairs 11/6/15
Vice Chancellor for Business and Administrative Affairs - Procedural Update 3/7/18