



FINANCE MANUAL



Section II

Accounts Payable

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Accounts Payable Guidelines

The Accounts Payable Guidelines are intended to help you understand and follow the procedures of our District. Our main objective is to process vendor payments for goods and services, employee mileage and district travel. It is important for all procedures to be followed in order for payments to be processed in a timely manner.

No purchases are authorized without issuance of a Purchase Order. Payment cannot be made unless there is a properly approved purchase order prior to the purchase. Anyone creating or authorizing such a commitment prior to securing a Purchase Order Number will be held personally liable for payment.

Purchase Orders

- When entering purchase orders, check to see if there is a Vendor Number in the finance system for the vendor you will be using. Using an established Vendor Number keeps all purchases and payments in order. Requests for adding a new Vendor Numbers must go through Purchasing.
- Verify Vendor address is correct (Purchasing side only). This will ensure that your order will go to the right place Campus/Department.
- Attach any required documents electronically to the Requisition in the Finance system.
- Verify that pricing is correct.
- **Add a line for shipping.** In all cases, we strongly encourage you to verify whether shipping is required before processing the initial Requisition. If shipping costs are required, reflect those charges on a separate line on the Requisition. In cases where you are not sure, automatically ADD shipping to the Requisition.
- **Do Not Use Discount Field.**
- Most items can and should be shipped to the Warehouse. There are very few exceptions: online office supply orders, subscriptions, live items, large items/ furniture and library books. See the complete list under the Purchasing/Warehouse section of this manual.
- No changes, substitutions, or increase of funds can be made to a purchase without prior approval.
- No Purchase Order can be cancelled without confirmation from the Vendor. See PO Cancellation Confirmation Form.
- Merchandise ordered to be previewed must be requested by Requisition/Purchase Order in the usual manner. Review of the merchandise must be made within 14 calendar days or within the agreement guidelines.
- **No Gift Card purchases are allowed under any circumstances.**

Open Purchase Orders

- Open Purchase Orders are only allowed for select Vendors. They are intended for the re-occurring purchase of items from the same Vendor over a period of time. As Invoices/Receipts are submitted to Accounts Payable, payments are processed against the Purchase Order. **With the exception of Mileage Reimbursement, Open Purchase Orders to Employees are only allowed in rare circumstances.**
- All Open Purchase Orders are identified by checking the Open box in the Requisition entry header.
- Open Purchase Orders with an Employee as the Vendor have a limit of \$200. **Sales tax will not be reimbursed under any circumstance.** The reimbursement for mileage on Open Purchase Orders is due monthly with the exception of August Mileage Reimbursement. Due to the system closing for fiscal year end, August 1-15th mileage must be submitted by the due date for the last check run in August. Any mileage due for August 16-31st must be turned with the September mileage report. Any mileage not turned in with the September report, may not be reimbursed due to the close of the fiscal year.
- Open Purchase Orders to Vendors: **All original Invoices/Receipts must be sent in immediately after items are purchased. DO NOT HOLD.** Holding Invoices/Receipts delays payments to Vendors. This could result in late fees, finance charges or the District being put on hold. Any late fees/finance charges will be charged to the budget of the initial expense or from Campus/Department Activity Funds. **The Original Invoice/Receipt must include the following information:**
 - Detailed list of items purchased.
 - Open Purchase Order Number (a copy of the Purchase Order can be attached as documentation).
 - Printed legible name and signature of responsible party.
 - If there are multiple budgets used on the Open Purchase Order, state which account each line item is to be paid from.
 - If it is a Sam's receipt, items must be split between 6499 total and 6399 total amounts
 - Attach the receipt to an 8-1/2 x 11 sheet of paper using tape, **no staples.**
- Once funds on the Open Purchase Order are depleted, Accounts Payable must be notified to Close/Final the Open Purchase Order. This must be done before a new requisition is entered in eFinancePlus and further purchases are made.
- All Open Purchase Orders are CLOSED prior to budget year-end. If Charge Tickets/Invoices/Receipts are not received by close of year, they will then need to be paid by Activity Funds, from your Campus, as they will be considered a prior year purchase and funds will NOT be available to pay them.
- **No Gift Card purchases are allowed under any circumstances.**
- Purchases are limited to non-bid items only. The purchases will be monitored to verify that items are not being purchased in violation of the CISD approved bid Vendors by category. See Shopping A-Z for a complete list of approved Vendors by commodity/category.

Receiving Items Shipped to the Campus/Department

- When merchandise is shipped directly to a Campus's/Department's, it is the Campus's/Department's responsibility to notify Accounts Payable in order for the Invoice/Receipt to be considered for payment. This is done by receiving the items in the Finance System under Receive Ordered Materials.
- Invoices/Receipts given directly to Campus/Department personnel should be forwarded to Accounts Payable with the following information clearly included with the Invoice/Receipt:
 - Purchase Order Number (a copy of the Purchase Order can be attached as documentation).
 - **Receive in the Finance** System using Purchase Order Number.
 - Printed legible name and signature of responsible party.
 - No copies of the Invoice/Receipt, **only Originals will be accepted**. If the Invoice/Receipt is a half sheet of paper, please attach to a full 8 ½ x 11 sheet of paper using tape (no staples) to ensure it is not lost in inter-campus mail.
- **Do Not** accept merchandise at your Campus/Department if delivery should be made to the Warehouse. This will create confusion and could result in delays or require the Campus/Department to pay the Invoice/Receipt out of their Activity Funds.

Year End

- Before leaving for summer break, check the status of all unpaid PO's for your campus.
- If any unsent Invoices are found during this process they need to be sent to AP immediately. Make sure to tape them to a copy of the PO and all items are received in eFinance.

Returned Merchandise

- **Merchandise shipped to the Warehouse, MUST be returned through the Warehouse. No Exceptions.** Not going through the Warehouse for returns could result in credit not being received back into the budget account that was charged.
- **Merchandise delivered to a Campus/Department must be returned directly to the Vendor by the Campus/Department.** The Campus/Department will be responsible for notifying Accounts Payable of this transaction in order for proper credit to be received.

Mileage Reimbursement

- The intent of mileage reimbursement is to reimburse for **school business miles** driven in **excess** of normal commuting miles to/from your primary work location.
- Per IRS rules, miles driven to your primary work location or from your primary work location to your home cannot be reimbursed.
- **In-District mileage** is always calculated from your campus/department location, not from your home.
- If you do not normally report to your home campus/department for work, mileage should be calculated from the first campus you visit for the day. The mileage between campuses from that point is allowable. The mileage to your first campus and from your last campus to home is considered normal commuting mileage and is not reimbursable.
- **Out of District mileage** should be calculated from the campus/department or the employee's residence (whichever is less).
- A request for Mileage Reimbursement will be done by entering a Requisition in eFinancePlus and listing the Employee as a Vendor.
- A completed Mileage Reimbursement Form must be attached to the Requisition using the Add Attachment function. No reimbursement can be made until back up is received. Use the CISD Mileage Form that is posted on the Conroe ISD Travel Website under Forms. Make sure you are using the most recent mileage form. Updates may be made throughout the year.
- To calculate distance for Out-Of-District Travel, use MapQuest/Google Maps to calculate distance in miles and attach this as back up.
- **The Employee and Supervisor/Principal/Director must sign the Mileage Reimbursement Form before attaching to the Requisition in eFinancePlus.**

Consultants

- All Consulting Agreements must go through the Legal Department.
- Consultants are **never** paid in advance. This should not be reflected in any agreement made with a Consultant. **Payment is only made after services are rendered and Accounts Payable receives an Original Invoice from the Consultant.** The Invoice must include the full legible name and signature of responsible party. This can be done in a series of payments or in one lump sum. Payments are not sent to Campus's/Department's; they are mailed to the Consultant. **It must be received in the finance system when the contract is fulfilled.**
- Before a payment can be made to a Consultant, a completed current year IRS W-9 Form must be on file with the District. This will ensure that we have the necessary information for 1099 reporting to the IRS. Purchasing must be notified to flag the Vendor's 1099 Information in eFinancePlus.

Subscriptions/Licenses/Renewals/Membership Fees

- The dates of the Subscription/Licenses/Renewals/Membership Fees must be stated in the description of the Requisition. A Membership ID, who it is for and the organization name should also be stated.
- Purchase Orders for Subscriptions/Licenses/Renewals/Membership Fees must list **your location** as the “ship to” address (ship to Campus/Department).
- Attach all required documents for the Subscriptions/Licenses/Renewals/Membership Fees to the Requisition using the **add attachment** function in the Finance system.
- No payments will be paid without the required attachments.
- It must be received in the Finance system before a payment can be made.