

SOUTHERN UNIVERSITY

COMPTROLLER'S OFFICE

DRAFT AP-406

POLICIES AND PROCEDURES GOVERNING PREPARATION OF REPORT OF UNCLEARED RESPONSIBILITY FORMS

PURPOSE

The purpose of this Operating Policy/Procedure (OP) is to establish the procedures and guidelines to ensure that the responsibility forms are processed accurately and in a timely manner. This policy sets forth guidelines to ensure that manual checks are requested, processed and submitted to University Employees in a timely manner. Responsibility forms should be monitored and maintained on a daily basis to ensure accurate record keeping and to validate that the Comptroller's Office is in compliance with university regulations. Responsibility forms should be resolved within five (5) working days unless a written request is submitted explaining the reason for the delay and it is approved by upper management. Extensions, which can be caused by the inability of the vendor to provide receipt timely, usually do not exceed two (2) or three (3) weeks.

OVERVIEW

The Disbursement Operations Section of the Comptroller's Office has the vested responsibility for the financial administration of preparing the report of uncleared responsibility forms (1362) schedule. Accordingly, the staff must keep abreast of constantly changing policies and procedures to ensure compliance with the policies and procedures of the Federal and State agencies and the University. The accounting personnel within these sections function as the financial liaisons between vendors, faculty, staff, and other campus administrative offices on financial matters related to preparing the report of uncleared responsibility forms (1362) schedule.

DEFINITION

Responsibility Form – This form is used when an employee has to pre-pay a vendor prior to receiving an invoice. These types of transactions usually include registration and travel advances.

AUTHORITY FOR WRITING, UPDATING AND INTERPRETATION

The authority for writing, updating and interpreting the applicable policies and procedures is vested with the Office of the Vice Chancellor for Finance and Administration.

The authority for compliance with these requirements rest with the Office of the Comptroller, Disbursement Operations Section through the Associate Comptroller for Financial Accounting and Disbursement Operations and the Associate Vice Chancellor for Financial Operations and Comptroller.

RESPONSIBILITY FOR NOTIFICATION OF CHANGES

The responsibility for notification of changes in applicable regulations, policies and procedures is vested with the Office of the Comptroller: Associate Comptrollers.

DUTIES AND RESPONSIBILITIES

The Accounting Specialist Supervisor within the Accounts Payable Section, Comptroller's Office, is responsible for the preparation of the report of uncleared responsibility forms (1362) and attaching any and all other supporting documentation used to prepare the report of uncleared responsibility forms (1362) and enter the related data into the accounting system.

The request to issue a check to an employee or vendor prior to obtaining a receipt must be documented, justified and approved by the Comptroller or the related Department Head. This method should be used only in the case of emergencies and/or extenuating circumstances.

The steps required for preparing the report of uncleared responsibility forms (1362) are outlined below.

PROCEDURES FOR PREPARING THE REPORT OF UNCLEARED RESPONSIBILITY FORMS:

1. Receive the original purchase requisition (exhibit 1) from the university employee.
2. Determine whether or not this qualifies for issuance of a responsibility form:
 - a. If it is payment due upon receipt of services;
 - b. Advance Hotel Accommodations;
 - c. Emergency Repair Work;
 - d. Payment due upon receipt of services;
 - e. Emergency supplies that do not qualify under LaCarte or exceed \$1,000;
 - f. Other allowed transactions.
3. Complete a responsibility form (exhibit 2) using a requisition number. Employee signs the responsibility form agreeing to the terms therein to include meeting the five (5) working day requirement.
4. Change the control object to the control object (1362) for responsibility forms.
5. Supervisor keeps the green copy of the responsibility form and attaches a copy of the requisition.

6. Forward the requisition with the original responsibility form to the Purchasing Department through the University employee.
7. Once purchase assigns the purchase order number to the requisition; the original documentation with the purchase order is forwarded by to the Accounts Payable Specialist Supervisor to process the check.
8. An invoice number is assigned to the responsibility form to process check (exhibit 3). The invoice number consist of the following:
 - a. The responsibility form number (dash) purchase order number
9. Process invoice using the invoice processing procedures (AP-425 procedures) except on screen 240 pay option is listed as "9" (exhibit 4).
10. Within five (5) working days after the check is released to the employee the University must provide receipts from the vendor to clear the employee's name. If the employee does not provide the receipts a payroll deduction notification (exhibit 6a) is sent to the employee and then we proceed with implementing a payroll deduction (exhibit 6b) on the next available pay dates.
11. To clear the 1362 transaction a journal entry is prepared debiting the expense account (0-10000-3420 and crediting the responsibility form account (0-10000-1362) (exhibit 5).
12. Prepare a excel spreadsheet (exhibit 7) using the responsibility documentation (see above). Include one of the below comments:
 - a. JVXXXX - JV number showing that transaction has been cleared because the required documentation has been submitted by the employee.
 - b. Payroll deduction has been submitted – employee did not meet the required five (5) working days to submit required documentation to clear responsibility form.
 - c. Cash Receipt Number – Employee submitted an invoice that was lower than the amount of the responsibility form.
 - d. Waiting for Hotel Refund – Amount paid to hotel was miscalculated due to employees that did not attend event and a refund is due the University from the Hotel.
13. Obtain copy of 094 (exhibit 8) for same period as transactions recorded on the excel spreadsheet and reconcile to the excel spreadsheet. Research differences.

- ☐ Approved
- ☐ Disapproved

Mrs. Gwendolyn A. Bennett
Associate Vice Chancellor for Financial Operations/Comptroller

- ☐ Approved
- ☐ Disapproved

Mr. Flandus McClinton, Jr.
Vice Chancellor for Finance and Administration