

SOUTHERN UNIVERSITY

COMPTROLLER'S OFFICE

PR-412

POLICIES AND PROCEDURES GOVERNING RECONCILING VENDOR STATEMENTS AND PROCESSING PAYMENTS AS NEEDED

PURPOSE

The purpose of this Operating Policy/Procedure (OP) is to establish the procedures and guidelines to ensure that vendor statements are reconciled and payments processed in a timely manner. This policy sets forth guidelines to insure that vendors requisitions, purchase orders, invoices and/or statements are submitted and monitored timely to ensure compliance with both university, state and federal regulations, policies and procedures.

OVERVIEW

The Accounts Payable Section of the Comptrollers Office has the vested responsibility for the financial administration of finalizing fiscal year end encumbrances for the Southern University System. Accordingly, the staff must keep abreast of constantly changing policies and procedures to ensure compliance with the policies and procedures of the Federal agencies and the University. The accountants in this office functions as the financial liaisons between funding agencies, project directors the faculty, staff, and other campus administrative offices on financial matters related to ensuring that vendor statements are reconciled and payments are processed in a timely manner.

DEFINITION

FBM009 Report – Open Commitment Status – This report contains the account number, purchase order number, transaction date, and description of transaction, date transaction created, original commitment, liquidating expenditure, current commitment, last action date, and drop flag.

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, Division of Accounts Payable through the Director of Accounting Services, Associate Comptroller 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: Division of Accounts Payable.

DUTIES AND RESPONSIBILITIES

The Accounts Payable Supervisor within the Comptroller's Office is responsible for the preparation and submission of correspondence requesting the vendor invoices on a monthly basis. The steps required for ensuring that vendor statements are reconciled to invoices and that outstanding invoices are paid in a timely manner are outlined below.

1. Vendor statements must be analyzed on a monthly basis. It is important that these statements reference all invoices 30 days past due.
2. To begin the analysis, you must have the invoice number which also contains the purchase order number. Go to screen 240 and key in both the purchase order number and the corresponding invoice number. If the invoice number entered verifies that the invoice has been entered, proceed to screen 118. Screen 118 provides information such as the date a check was written, the amount and the check number.
3. If the invoice number does not show paid, you should check to see if a purchase order is in the vendor file (or check screen 228 for PO information). If a PO is in the file, you should phone the vendor to request a faxed copy of the invoice. Once the invoice is received, the vendor payment can be processed.
4. Other problems that could arise with invoice non-payments which may include the following:
 - i. Require signature to validate receiving on two way match;
 - ii. Require receiving by receiving section for three way match;
 - iii. Purchase Order has not been generated; however, goods/services have been received by department;

If a problem is detected, the department or vendor submitting the invoice should be contacted via written request by accounts payable section to assist in clearing up the problem immediately.

5. Once the vendor or department is contacted, a follow up email should be sent requesting the return of the purchase order and invoice with all necessary approvals for payment processing. If a response is not received in two days after the follow up a written explanation should be provided to the Accounts Payable section supervisor for consultation with the Chief Disbursement Officer on how to proceed with the problem account.
6. Also, once the statements have been completed by the accounts payable section a written explanation must be provided to the supervisor. This explanation should include the payment status on all invoices 30 days or older that appear on the statement.

- ☐ Approved
- ☐ Disapproved

Mrs. Gwendolyn A. Bennett