

# SOUTHERN UNIVERSITY

## COMPTROLLER'S OFFICE

DRAFT

### **POLICIES AND PROCEDURES GOVERNING PAYING AN INVOICE USING THE CHECK BY PHONE METHOD**

#### **PURPOSE**

The purpose of this Operating Policy/Procedure (OP) is to establish the procedures and guidelines to ensure that weekly invoices are processed accurately and in a timely manner. This policy sets forth guidelines to ensure that weekly invoices are requested, processed, submitted to University Employees and monitored timely to ensure payment is received by the vendor in a timely manner and that the Comptroller's Office is in compliance with university regulations.

#### **OVERVIEW**

The Disbursement Operations Section of the Comptroller's Office has the vested responsibility for the financial administration of paying vendor invoices. The Financial Control Section is responsible for processing check by phone payments 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 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 paying invoices using the check by phone method.

#### **DEFINITION**

Check by Phone Method – The University's general operating bank account, routing and check numbers are provided to the vendor to process the check based on a valid invoice received from the vendor on a weekly basis.

Supporting Documentation – Copies of Screen 228, 220 and 248. Copy of Justification letter if required. Original accounts payable form 1002.

#### **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 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 within the Accounts Payable Section, Comptroller's Office, is responsible for the preparation and processing of invoices and other supporting documentation used to type a manual check and enter the data related to the manual check into the accounting system.

The request to pay a vendor using the check by phone method must be documented, justified and approved by the Associate Comptroller and the Associate Vice Chancellor for Financial Operations/Comptroller. This method will be used only in the case of emergencies and/or extenuating circumstances.

The steps required for processing a vendor's invoice by check by phone are outlined below.

## **PROCEDURES FOR PROCESSING A VENDOR'S INVOICE USING CHECK BY PHONE:**

1. Obtain the invoice and supporting documentation either through the mail or from the University Employee that hand delivers the invoice to the Comptroller's Office.
2. Process the invoice using the following procedures:
  - a. The Supervisors of the Sections shall obtain a manual check from the Chief Disbursement Officer and sign the check out by completing the manual check log.
  - b. The Supervisor is responsible for giving the manual check to the appropriate accounts payable specialist to type the check based on the invoice and any supporting documentation.
  - c. The accounts payable specialist processes the invoice based on the "Processing Invoices" procedures.
  - d. Once the check is typed, the check is stamped with a protector graph. The check and the invoice and supporting documentation are transmitted to the accounts payable supervisor to release.
  - e. The accounts payable supervisor should complete the "Check by Phone" form and sign and date the form. The form should be forwarded to the Chief Disbursement Officer and the Associate Comptroller for Financial Accounting and disbursement Operations for approval the same date that the form is received if prior to 4:00 pm. If after 4:00 pm the form should be signed no later than 12:00 pm the following day. The form should be forwarded to the Check Release Section. The Check Release Section of the Comptrollers office shall (1) acknowledge receipt of the packet, by date and initial (2) review the packet to ensure that all required documents are

attached (3) Call the vendor using the phone # provide (3) authorize payment of the check by phone (4) Complete the transmitter section of the form (5) forward the complete packet to the Associate Vice Chancellor for Financial Operations and Comptroller for appropriate approval.

- f. After appropriate approvals, the Check Release Section shall forward the original check by phone packet including the original check (with signature line marked void) to the Operational Auditing Supervisor. A copy of the completed "Check by Phone" form packet must be returned to the accounts payable specialist to be filed in the PUR after obtaining the signature of the Associate Vice Chancellor for Financial Operations/Comptroller and the Vice Chancellor for Administration and Finance if appropriate.

The original check by phone form packet along with the manually typed check must be filed by the operational auditing supervisor.

- g. If the check is above \$10,000 the Vice Chancellor of Finance and Administration must approve the check by phone form.
- h. If the check is above \$100,000 the Vice President of Finance and Administration/System Comptroller and the Southern University System President must approve the check by phone form.

☐ Approved  
☐ Disapproved

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

☐ Approved  
☐ Disapproved

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