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## INTRODUCTION

The main function of the Accounts Payable Department of the University of Central of Arkansas is to make timely and accurate payments to vendors in accordance with the State of Arkansas' regulations. Payments can only be made when all state-required documents have been completed and received by the Accounts Payable Department. This manual's information will serve as basic check processing guidelines for all University departments.

### Purchasing Authority

All purchases, rentals, leases and lease/purchases to which UCA is a party are subject to current state regulations. All types of purchases from University accounts are subject to these regulations, and they require prior approval of the Purchasing Department. The Purchasing Official is the sole purchasing authority for the University. Purchases not authorized by this authority are not legal obligations of the University. **Any individual making a purchase without first obtaining proper authority is assuming a personal obligation to the vendor for which he/she may be held personally liable.**

### Purchasing Requirements

Documentation **must be approved** by the UCA Purchasing Department **prior to any commitment** that would result in the expenditure of funds. Caution should be taken when researching or otherwise inquiring about services or products with any vendor as a simple conversation can sometimes be easily interpreted by a vendor/contractor as an obligation. A Requisition must be completed and submitted to the Purchasing Department for approval. The Requisition becomes a "Purchase Order" only after the Purchasing Department has approved it. Once approval has been given, a purchase order number will be assigned and the purchase order will be processed.

**NOTE: Accounts Payable will compare the date on the invoice to the date of approval on the purchase order. If the date of the invoice is prior to the purchase order approval date (except on prepays), an explanatory "Improper Purchase Authorization" (Mother May I) form will be required.**

### Requisitions

For proper instructions regarding the completion of the Requisition, refer to the current Purchasing Manual or contact the Purchasing Department. If the vendor has two names, please make sure the purchase order is to the vendor that the check is to be written. Banner system requires that the check be made payable to the vendor listed on the purchase order.

The FOAPAL stands for Fund, Organization, Account Code, Program, Activity, and Location. Your INDEX is a short cut for fund, organization, and program. The activity and location are not currently being used. Account codes are very important, especially with regard to equipment purchases to ensure that the Inventory Department is aware of the purchase. It is the responsibility of each department to check for the accuracy of all account codes that are placed on the Purchase Requisition.

## Payment Requirements

There are five types of payments which are commonly processed at the University of Central Arkansas: Normal Payments, Prepayments, Partial Payments, Payment from Standing Orders and Final Payments.

### 1. Normal Payments

In order for a payment to be authorized, State regulations require BOTH an original invoice and record of receipt BEFORE a payment is processed. Accounts Payable Department **must** have all the required documentation before a check can be issued. See the Requisition Training Manual for instruction for receiving. **Note: The Requisition Training Manual is only provided when attending the required requisition training.)**

A) Receivers are NOT required on the following:

- Prepays
- Standing orders
- Subscriptions
- Postmaster
- Dues
- Memberships
- Travel
- Registrations
- Reimbursements
- Contacts

B) Invoice

The State of Arkansas requires an original or faxed copy of the invoice to be sent directly from the vendor to enable the University to make payments. State requirements will **not** allow payments to be made with a photo copy of an invoice. If the vendor sends an invoice with the merchandise, it is to be forwarded to the Accounts Payable Department. The company will not send another invoice to Accounts Payable. **NOTE: It is the department's responsibility to make sure the original invoice has been sent to the Accounts Payable Department.**

C) SPECIAL HANDLING NOTICE: When you have special instructions for the Purchasing Department or for Accounts Payable, please note these directions in the "Document Text." Please include who the instructions are for, Accounts Payable or Purchasing. For example, "please call when ready" could mean you need Purchasing to call when the purchase order is ready or you need Accounts Payable to call when check is ready.

### 2. Prepayment

The general rule for payment is to pay only after the merchandise has been received or the

service has been rendered. In some unique situations, prepayments may be required for some items that include postage, airline tickets, association dues, registration fees, subscriptions, etc. All prepayments except postage require an invoice, order form, or registration form to be forwarded directly to the Purchasing Department for processing. Purchasing will then forward the appropriate documents to the Accounts Payable Department for payment processing. The receiving process is not required for prepaids.

3. Standing Orders:

Merchandise or services purchased on a regular basis may be purchased from a “Standing” purchase order. Examples: Cingular, UPS, Lowe’s, Fast Foto, Conway Trophy. Please forward all original invoices to the Accounts Payable Department. Receiving is not required for Standing Orders except for Aramark. Please note you will not get a copy of the invoice on Standing Orders except for Aramark. Invoice amounts may be reviewed by accessing the departmental budget in the Banner System.

Due to the frequent errors on the Aramark invoices a copy of the invoice will be sent to the department. The department should review the invoice for accuracy. If the invoice is not correct, it is the department’s responsibility to obtain a corrected invoice from Aramark. Once a corrected invoice is obtained it should be attached to a signed copy of the purchase order and forwarded to Accounts Payable Office for payment.

4. Partial Payment:

For payments of partial shipments received, the requisitioner will receive in Banner the number of items received and the date received. See the Requisition Training Manual for instructions for receiving. **(NOTE: the Requisition Training Manual is only provided when attending the required requisition training.)** Please forward all original invoices with the partial shipments of merchandise to the Accounts Payable Department. You are able to receive numerous times on the same order until all of the order has ultimately been received.

5. Final Payment:

When final shipment of merchandise has been received, the “Final Received” box must be checked, for every line during the receiving process in Banner. See the Requisition Training Manual for instruction for receiving. **(NOTE: the Requisition Training Manual is only provided when attending the required requisition training.) It is the department’s responsibility to make sure the original invoice has been sent to the Accounts Payable Department.**

Special Information:

1. ARAMARK and Bookstore Services - Even though ARAMARK and Barnes & Noble are located on the UCA campus, they are independently owned; therefore, a purchase order must be completed and approved prior to expenditure of any fund. ARAMARK requires an estimate of people which will be served and this estimate must be stated on the Purchase

Request/Order Form.

2. The “Vendor Name” on a Purchase Request/Order Form used for postage should ALWAYS be “POSTMASTER.”
3. Some type of an invoice must accompany all payments except for postmaster. This includes payments of honorariums.

Our check runs are normally processed each Tuesday and Friday. DO NOT promise a vendor when a check will be ready. You don’t know if AP people are sick, on vacation, etc.

4. Please DO NOT give permission to have CREDITS applied to invoices because ALL credits need to be processed through the accounting system.
5. Please DO NOT alter invoices – only original or fax copies from vendors are acceptable.
6. The University of Central Arkansas is **not** tax exempt. If sales tax has not been applied to an invoice, Accounts Payable will assess the tax, charge the applicable department and send the collected tax to the Arkansas Revenue Division. Please let the vendor know that sales tax should be applied to each purchase.

### Agency

Agency funds are typically used for student organizations on campus. Each organization has its own index number which starts with 81XXXX. When depositing funds, the account code should be 549000 and when expensing funds the account code should be 799100.

When an organization needs to have a new account number assigned, they must fill out the APPLICATION FOR AGENCY ACCOUNT form which can be found on the Accounts Payable/Travel website. The application includes instructions on how to fill out the form and to whom the application should be returned. After the account is established an authorization form must be completed and filed in the Agency AP area. The authorization form can also be found on Accounts Payable/Travel website.

- Agency Funds Authorization must have two signatures.
  - Faculty Advisor signature
  - Organization Treasurer signature
- Agency Funds Authorization for Residence Halls must have three signatures.
  - Area Coordinator signature
  - Hall Coordinator signature
  - Treasurer signature

Every time the treasurer or advisor changes a new form will need to be completed and forwarded to the Accounts Payable Office.

To request payments for all agency funds, an “Agency Disbursement Request” must be completed with the following information.

- Organization Name

- Contact Name and phone number
- Index (Fund Number)
- Date of Request
- Balance in Account - Leave Blank. (This is completed by AP)
- Vendor ID# (This is found in Banner if UCA has used the vendor before; if not a vendor must be set up. See Purchasing Procedure Manual for instructions)
- Vendor Name
- Vendor Address
- Amount of Requested Disbursement
- Reason for Expenditure – For good business practice, receipts or invoices should be noted here and accompany the agency Disbursement Request Form.
- If you wish to have the check mailed a complete mailing address must be provided.
- Indicate the person’s name who will be picking up the check and the date the check is to be picked up. This person must show his/her ID and sign in receipt of the check.
- The organization’s Treasurer **must** sign receipt for payment to be made.
- The Faculty Sponsor/Advisor **must** sign for payment to be made.
- If it is a residence hall, the Hall Coordinator and Area Coordinator signatures are required.
- Note: UCA is not tax exempt.

When a completed Agency Disbursement Request is received in AP, the signatures are compared to the authorization on file.

If an agency wants to transfer funds from their account to another UCA account they must complete a Supplies and Services Requisition form. NOTE: The account may be a university or an agency account. The form should include:

- The signature of the agency/department giving the funds
- The index and account code of the agency giving the funds
- The signature of the agency/department receiving the funds
- The index and account number of the agency receiving the funds
- A brief description

### Closing Remarks

All of the above procedures must be followed to ensure compliance with State of Arkansas fiscal regulations and to enable timely payments to be made to vendors. If there are any further questions regarding payment to vendors, contact the Accounts Payable Department. Please refer all purchase order questions to the Purchasing Department.

## Accounts Payable Employees

Listed below are the Accounts Payable employees. Certain staff members have been assigned check processing duties according to the vendors' name. Please refer your check processing questions to the appropriate individual.

A – Ch & Agency	Lisa (Elizabeth) Srite 450-5025
Ci – G	Brent Ahne 450-5028
H-O	Ellen Loveless 450-5023
P-Z	Peggy Robinson 450-3245
Travel Supervisor	Dot Carden 450-5024
Travel	Sharon Plumlee 450-3620

For general questions relating to travel and accounts payable please contact the appropriate person. Please only contact Marcia Girdler Project Coordinator - Accounts Payable & Travel when the above personnel can't be reached.

Please note that JVC and Supplies & Service forms plus questions relating to them should go to Misty Moran or Michelle Burgin in Financial Accounting, not Accounts Payable.