

ACCOUNTS PAYABLE PROCEDURES

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Purchasing & Accounts Payable Process

Purchasing on behalf of West ISD can be accomplished using the requisition system within Skyward (see section 4.1.0.1 Requisitions/Purchase Orders/Receiving). A requisition is a process to secure authorization prior to the encumbrance of funds. No matter if using a credit card or District check, this process must be used. There are no exceptions. **State education code 44.031 requires that Districts encumber funds prior to procurement.** Before entering a requisition, available funds must be present. If funds are not available, it will be necessary to request a budget amendment (see section 3.2.0.1 Budget Amendments). If the desired vendor is not present, please contact the *business office* to get the vendor added (see section 4.4.0.1 **Purchasing Contract Services**). Once a requisition is entered, it passes through an approval chain. The *assistant superintendent* is the final approver for every transaction in the District. After the final approval is submitted, the requisition becomes a purchase order. It is at this time that funds are encumbered. It is important to note that sometimes a requisition is denied due to coding or other errors. If a purchase order is denied and you do not know why, please contact the *business office*. It is customary when denying a purchase order to use the notes field to explain the problem and a potential solution.

Invoices received will be matched with receiving records within Skyward. The invoice amount on the purchase order is compared to the invoice submitted by the vendor. If the purchase order has not encumbered ample funds to satisfy the invoice, the invoice and purchase order along with a note, are scanned and emailed to the issuer for approval. *Accounts payable* will only pay what the purchase order authorizes the District to pay. As documents are received by the issuer for approval every effort should be made to expedite the approval **and return** to *accounts payable* so that payment can be submitted in a timely manner. Once invoices are paid, they are scanned with any other relevant information and attached to the respective transaction within Skyward. These documents can be viewed by any user that has access to vendor records.

Open Purchase Orders

Open purchase orders are estimates or quotes used to generate requisitions entered on behalf of an entire month or period. The only departments authorized to use open purchase orders are food service, maintenance, and transportation. No other open purchase orders will be allowed unless approved by the *business office*. When an invoice is received on an open purchase order, the invoice is scanned and emailed to the issuer for approval. Approval must be granted prior to paying invoices drawn on an open purchase order. If the purchase order is a large amount, it is appropriate to get a second authorization prior to payment. It is not possible to generally match invoices to a purchase order that does not outline individual costs.

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Notable differences:

- ☐ Invoices are to be addressed to the *business office* at P.O. Box 655, West, Texas 76691 or emailed to accountspayable@westisd.net.
- ☐ Procurement for goods or services, require a purchase order. There are no exceptions.
- ☐ In the event that orders need to be placed to a vendor that is not setup in Skyward, please contact *accounts payable*. There is a procedure to set up new vendors. No orders are to be placed to vendors that are not set up in Skyward. *Accounts payable* is the only department in the District that can add a new vendor to Skyward (see [section 4.4.0.1 Purchasing Contract Services](#)).

Invoices and Purchasing Not Requiring a Purchase Order

There are a few exceptions to the above procedures. Invoices for purchasing goods and services such as utilities, officials, FEMA expenditures, construction, and insurance payments. These types of expenditures are only generated within the *business office*. A separate routine in Skyward is used for these transactions. This process is submitted via check request. Invoices entered in [Skyward using the check request process](#) are still subject to an approval chain.

ACCOUNTS PAYABLE CHECK RUN DATES

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Cut Off Dates for Account Payable Checks

[Accounts payable check runs occur on or around the 10th and 25th of every month. The cut-off date to submit invoices for payment is two days in advance of the check run.](#)

VIRTUAL CREDIT CARD PROCEDURES

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New Virtual Credit Card Payments

The District implemented an accounts payable program for vendors. It is an option provided by the District's depository where a single-use credit card payment is provided to the vendor via email. When the email is received the vendor enters the single-use credit card number into their credit card terminal for payment of invoices listed within the email. The vendor has the choice to participate **or not participate in this program**.

Should the vendor decide to utilize the new virtual credit card payment system, the vendor payment option within Skyward will be changed to 'wire transfer'. Once an invoice is received for a virtual credit card vendor the *accounts payable clerk* enters the invoice per the normal procedure. When the check register is processed it will indicate the vendor payment as a 'wire transfer' and a paper check will **not** be printed.

A weekly file is uploaded to the depository's website portal by the *staff accountant*. Once the upload is complete, single-use credit cards are created in the portal and sent via email to the vendor. The email comes from West ISD and lists the invoices the District is paying. The card number will expire 30 days after receipt of the email.

If the vendor does not receive the email, the *staff accountant* has the ability within the portal to resend the email.