

Vendor Payables Policy Training



New Policy



The Vendor Payables policy went into effect October 20, 2008. Along with this new policy, there are four new forms. These will be explained thoroughly later in this presentation.

Training Outline



- Invoicing Requirements
- Purchases Requiring Prior Chief Financial Officer (CFO) Approval
- Why Is My Invoice Not Being Paid?
- Authorized Agency Credit Cards
- New Forms
- Problems/Questions

Invoicing Requirements



All original invoices must be forwarded to the Payables Section at the following address:

Arkansas Department of Health
4815 West Markham – Slot 28
Little Rock, AR 72205

Invoicing Requirements



Address on Invoices

- It is acceptable to have the original mailed to your location such as cell phone bills, but the original invoice must be forwarded to Slot 28 in order for payment to be processed. All purchase orders (PO) default to indicate the Payables Section address to send the invoice.

Invoicing Requirements



All invoices must meet the following requirements before payment may be made:

- Must be an original invoice.
- Copies of originals or faxed invoices are not considered valid original invoices.

Invoicing Requirements



- Only “official” invoices prepared by the vendor are acceptable.
 - Under no circumstances is an agency to self-generate an invoice for the vendor.
- Vendor name and address is required.
 - The vendor’s remittance address must be on the invoice.

Invoicing Requirements



- If the name has been placed on the invoice by rubber stamp, typewriter, or handwritten, the original invoice must be signed manually by the vendor.
- All invoices must be billed to the agency.
- Must include a complete description of the goods or services.
- Invoices for services must include the date(s) of service.

Invoicing Requirements



- Invoices must include the unit price, number of units billed, and total due. Applicable sales tax must be listed separately on the invoice.
- It is very important for sales tax to be split out on the invoice for keying purposes. This can also cause a problem with 1099 reporting.

Invoicing Requirements



- For payment of goods or services requiring prior approval by the CFO, a copy of the signed approval letter must accompany the invoice. (A list of these items will be shown later in the presentation.)
- For payment of registration fees, an original invoice or registration form is required. For an out-of-state registration, a copy of the approved FIN-1010 (Out-of-State Travel Authorization) is required.

Invoicing Requirements



- Only current charges can be paid on an invoice.
 - If an invoice includes a past due amount, a reprint of the invoice when the charges were incurred must be requested from the vendor.

Invoicing Requirements



- For payment of any advertisement, an original or copy of the printed media is required.
- For payment of any food purchases or catering, the sign-in sheet(s) is required for each meal served along with the signed approval letter.

Purchases Requiring Prior CFO Approval



- Promotional Items – any item customized by adding an ADH or program logo or slogan.
 - The letter must include a breakdown of all items being purchased and cost per item.
- Catering or food purchases for meetings, trainings or conferences.
 - The letter must include the amount per meal and estimated number of people.

Purchases Requiring Prior CFO Approval



- Membership in a professional organization
 - Approval letter must include the dates of the membership, i.e. 01/01/2009 – 12/31/2009. This is necessary for the Comprehensive Annual Financial Report (CAFR). We must report any items that are being prepaid for the following fiscal year.
- Subscription of a publication
 - Must be in the name of the agency and billed to agency.

Purchases Requiring Prior CFO Approval



- Rental Car
 - Approval letter must include cost of rental, fuel, plus full coverage insurance. The savings of using a rental car versus public transportation must also be shown.
- Hosting Meeting/Conference
 - Approval letter must include total cost broken down by item and target audience.

Purchases Requiring Prior CFO Approval



- Honorarium – payment of speaker’s fees
- Non-state employee travel
- Uniforms and clothing for employees
- After the fact approval
- Any unusual or questionable circumstance.
 - If unsure, please call the Payables Section.

Why is my invoice not being paid?



- The Payables Section distributes an “Unpaid Invoice Report” to the Centers monthly. The most frequent reasons for non-payment are:
 - Need goods receipt completed in AASIS
 - Need general ledger account corrected
 - Pricing differs on invoice and PO
 - Need CFO approval letter

Why is my invoice not being paid?



- Need goods receipt completed in AASIS
 - Please enter the goods receipt as soon as goods are received or services rendered. If there is a problem with the delivery, please notify the appropriate Accountant. (Each Accountant has assigned letters of the alphabet that are shown later in the presentation.)

Why is my invoice not being paid?



- Need general ledger (GL) account corrected
 - The correct GL is very important. If there are huge discrepancies between fiscal years, we must justify these to the Department of Finance and Administration (DF&A). When entering your requisition, always check the accuracy of the GL code that defaults from your material number. If you are unsure of which GL to use, always feel free to call the Payables Section.

Why is my invoice not being paid?



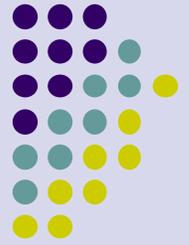
- Pricing differs on invoice and PO
 - We can decrease up to 10%, but we are not allowed to increase at all. If pricing is increased, the PO must be adjusted. We cannot decrease on a spend-down account. The goods receipt would need to be backed out and corrected for a spend-down.

Why is my invoice not being paid?



- Need CFO approval letter
 - If you are submitting the invoice to the Payables Section, please include the approval letter when applicable.
- If shipping is over \$100, we will call or email for approval. If you are submitting the original invoice to the Payables Section, please approve this in advance.

Authorized Agency Credit Cards



- There are only three types of credit cards authorized for our agency's use:
 - Arkansas Procurement Card (P-Card)
 - Arkansas Sponsored Business Travel Card
 - Voyager Fleet Card

Authorized Agency Credit Cards



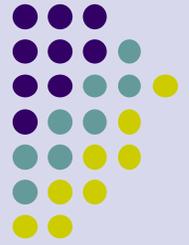
- Arkansas Procurement Card (P-Card)
 - All expenses incurred using the P-Card must be submitted to the Payables Section no later than the 20th of each month. This deadline is very important.
 - All original invoices & supporting documentation must accompany an approved Purchasing Card Payables Coding Sheet (FIN-1035).

Authorized Agency Credit Cards



- Arkansas Sponsored Business Travel Card
 - All expenses incurred using the travel card must be submitted to the Payables Section in a timely manner to ensure payment is made by the due date.
 - All original invoices & supporting documentation must accompany an approved Payables Coding Sheet (FIN-1004). This type of card is used by the Centers for airline tickets, hotel expenses, registration fees and car rentals. (No meals may be charged to the travel card.)

Authorized Agency Credit Cards



- Voyager Fleet Card
 - All expenses incurred using the fleet cards are processed for payment directly by the Payables Section. Coding is derived from the purchaser's coding in AASIS.

New Forms



- FIN-21 - Request for Postage
 - To request a warrant for purchase of postage
- FIN-1004 - Payables Coding Sheet
 - To request payment of an invoice not associated with a purchase order. Limited use of the FIN-1004 is allowed such as utilities, cell phones, medical payments and pharmacies. **Only one invoice should be submitted per FIN-1004.**

New Forms



- **FIN-1035 - Purchasing Card Payables Coding Sheet**
 - To request payment of purchases made using the P-Card
- **FIN-1052 - Special Warrant Handling**
 - To request any type of special handling of a warrant, such as an item that needs to be mailed along with the warrant or if you need to pick up the warrant. The warrant is brought back to the agency instead of mailed directly from the Warrant Division.

Request for Postage

FIN-21



ARKANSAS DEPARTMENT OF HEALTH
REQUEST FOR POSTAGE

Date:	11/10/2008
Vendor:	U. S. Postmaster
Vendor Number:	100064985

Location	Amount	Cost Center	Internal Order Number
Craighead County - Jonesboro	\$ 42.00	610374	AHHT57XX
Total of Warrant	\$ 42.00		

<input checked="" type="checkbox"/> Postage/Stamps	<input type="checkbox"/> Box Rent	Box Number
<input type="checkbox"/> Other		

Request for Postage FIN-21



Instructions for completing this form are provided on the following slides.

Requested By:		Approved By:	
Signature		Associate Director for Management and Operations	Date
Sue Smith			
Printed Name		Chief Financial Officer	Date
LHU Administrator		* Chief Financial Officer approval required for amounts \$5,000.00 and above.	
Title			
Mail Postage Check To:			
Craighead County Health Unit ATTN: Sue Smith 611 E. Washington - Suite B Jonesboro, AR 72401			
A FIN-1052 is not required when submitting a FIN-21.			
FOR PAYABLES SECTION USE ONLY:			
Document #:			
Parked By:		Posted By:	
Date Parked:		Date Posted:	
FIN-21 (10/08)			

Request for Postage FIN-21 - Instructions



- Date: Enter date of request
- Vendor: US Postmaster will always be the vendor
- Vendor Number: Always use 100054985
- Location: Enter the location where postage will be used.
- Amount: Enter the amount requested
- Cost Center: Enter cost center (make sure it is correct)
- Internal Order: Enter internal order (make sure it is correct)
- Postage/Stamps: Check box, if applicable
- Box Rent: Check box, if applicable
- Other: Check box, if applicable, and give an explanation

Request for Postage FIN-21 - Instructions



- Requested by: Signature, printed name & title of the requestor
- Approved by: Must be approved by the Associate Director for Management and Operations (ADMO), dated & signed
- Approved By CFO: CFO approval is required if over \$5,000.00
- Mail Postage Check to: Give the complete name & address for the check to be mailed.

A FIN-1052 is not required when submitting a FIN-21.

For Payables Section Only - Leave blank

Payables Coding Sheet

FIN-1004



Instructions for completing this form are provided on the following slides.

ARKANSAS DEPARTMENT OF HEALTH
PAYABLES CODING SHEET

Date of Request:	11/10/2008		Approver Signature:	
Vendor Number:	100137437		Approver Name (Printed):	Date:
Vendor Name: (Use Full Name)	AT&T Mobility		Sally Jones	11/10/2008
			ADMO Signature:	Date:
ADMO approval required for amounts \$5,000.00 & above				
GL Acct #	Amount	Invoice # or Ref. #	Cost Center	Internal Order
5020003000	\$ 131.42	Acct=123456	609040	ASGR00XX
5020003000	\$ 86.40	Invoice = 123456789	609004	ASGR00XX
5020003000	\$ 3.12		609003	ASGR00XX
	\$ 220.94	TOTAL		

FOR PAYABLES SECTION USE ONLY:

Document #:		Posted By:	
Parked By:		Date Posted:	
Date Parked:			

Payables Coding Sheet

FIN-1004 - Instructions



- Date of Request: Enter date of request
- Vendor Number: Enter vendor number to be used for payment. Make sure it is the correct remittance address for the vendor.
- Vendor Name: Enter full name of vendor as it appears in AASIS.
- Approver Signature/Date: Signature, date & printed name of the approver
- ADMO Signature/Date: Signature of ADMO (only required for amounts \$5,000 & above) & date

Payables Coding Sheet

FIN-1004 - Instructions



- GL Acct #: Enter appropriate general ledger code for the expenditure.
- Amount: Enter amount.
- Invoice # or Ref #: Enter invoice number or reference number.
- Cost Center: Enter cost center
- Internal Order: Enter internal order number (watch for grant cycle ending dates)
- Total: Total will automatically calculate if done in Excel.

For Payables Section Use Only - Leave blank

Purchasing Card Payables Coding Sheet - FIN-1035



Instructions for completing this form are provided on the following slides.

ARKANSAS DEPARTMENT OF HEALTH PURCHASING CARD PAYABLES CODING SHEET				
Cardholder Name: Mark Mechanic			Center/Branch/	
Fund Center: 34P		Fund: PHD000	Section: Admin Garage	Purchasing Cycle Dates: 10/16/2008 - 11/15/2008
Invoice Number	Supplier/Vendor	Cost Center	Internal Order	Total Cost
123	O'Reilly Auto Parts	609006	ASGR00XX	\$ 7.16
456	O'Reilly Auto Parts	609040	ASGR00XX	\$ 18.33
789	Little Rock Glass	610116	AFRA0008	\$ 22.00
GRAND TOTAL			\$	47.49

The completed FIN-1035 must be received in the Payables Section no later than the 20th of each month. SUBMIT A COMPLETED FORM EACH MONTH EVEN IF THERE WAS NO ACTIVITY ON THE CARD.

I certify that the above purchases were made for official business use only and were purchased in accordance with the policies and procedures set forth by the Arkansas Department of Finance and Administration, Arkansas Office of State Procurement, and all federal and state laws. My signature affixed below grants approval to process the charges reflected above for payment.

Associate Director for Management
& Operations/Designee _____

Date: _____

Purchasing Card Payables Coding Sheet - FIN-1035



- Cardholder Name: Enter name of cardholder
- Center/Branch/Section: Enter name of Center/Branch/Section
- Fund Center: Enter fund center
- Fund: Enter fund
- Purchasing Cycle Dates: Enter dates of purchasing cycle

Purchasing Card Payables Coding Sheet - FIN-1035



- Invoice Number: Enter invoice number for each purchase individually
- Supplier/Vendor: Enter name of supplier/vendor
- Cost Center: Enter cost center
- Internal Order: Enter internal order number
- Total Cost: Enter total cost
- Grand Total: Enter grand total of purchases made by p-card
- ADMO/Designee: Signature of ADMO or designee
- Date: Enter date approved

Special Warrant Handling

FIN-1052



ARKANSAS DEPARTMENT OF HEALTH SPECIAL WARRANT HANDLING

Vendor Name: ABC Company

Vendor Number: 100001234

Warrant Amount: 21,000.00

Purchase Order Number: 4500880088

Type of special handling requested (Be specific):

Call Karen Jones at 661-1234 to pick up warrant and send overnight to vendor.

Special Warrant Handling FIN-1052



Instructions for completing this form are provided on the following slides.

Request Submitted By		Date	
Supervisor Approval		Date	
Payables Section Manager Signature		Date	
FOR PAYABLES SECTION USE ONLY:			
Warrant Disposition:		<input type="checkbox"/> Picked up (see below)	<input type="checkbox"/> Mailed
Payables Section Employee Signature		Date	
Warrant Received By:			
Signature		Warrant Number	
Printed Name		Date Received	

Special Warrant Handling FIN-1052 - Instructions



- Vendor Name: Enter vendor name
- Vendor Number: Enter vendor number
- Warrant Amount: Enter warrant amount
- Purchase Order Number: Enter PO number (if applicable)
- Type of special handling request: Enter the type of special handling requested for the warrant (be specific)

Special Warrant Handling FIN-1052 - Instructions



- Request Submitted By: Signature of requestor
- Date: Date signed by the requestor
- Supervisor Approval: Signature of requestor's immediate or higher level supervisor
- Date: Date signed by supervisor
- Payable Section Manager Signature: Signature of Payables Section Manager
- Date: Date signed by Payables Section Manager

For Payables Section Use Only - Leave blank

Accountants By Alphabetic Assignments



For problems, please contact the following:

- Margaret Banks 501-280-4488
C – D – E – F – G – N – P – S – V
- Kim Lambert 501-280-4550
A – B – M – Q – W – X – Y – Z
- Martha Rose 501-280-4489
H – I – J – K – L – O – R – T – U

Questions or Concerns?



Contact one of the following for any questions or concerns you may have:

Claudia Westbrook
Vendor Payables Supervisor
501-280-4549

Rose Ann Carter Foster
Payables Section Manager
501-280-4480

Post Assessment



- Please return to A-TRAIN to complete the post assessment for this course.
- Instructions for completing the post assessment were e-mailed to you when you registered. They were attached to the registration notice.