

Accounts Payable Overview of Invoice and Payment Processing

Functions and procedures 2024

Chuck Harben, Accounts Payable and Risk
Management Supervisor, Mobile County
Public Schools

Phone: 251-221-4437

Email: charben@mcpss.com



Intake of Invoices

Invoices received by email or fax

- We often receive invoices via email or fax. Mostly by email now that faxes are becoming a thing of the past.
- Being the largest school district in Alabama, the volume of invoices we receive on a daily basis requires us to have several Accounts Payable clerks. Each clerk is assigned a set of vendors by alphabet, and that clerk is the main contact for those vendors. Companies email their invoices to the respective clerk for processing. We also publish staff assignment lists to departments and schools to help facilitate receipt of invoices.

Invoices received by USPS

- Invoices also come to us via U.S.P.S.
- The mail is disbursed in the same manner to each correlating clerk's designated in box that they check each day.



Preparing Invoices for Payment



PURCHASE ORDERS



VERIFYING INVOICES
TO P.O. AND
RECEIVING
DOCUMENTS



MANAGING
DISCOUNTS AND
REFUNDS



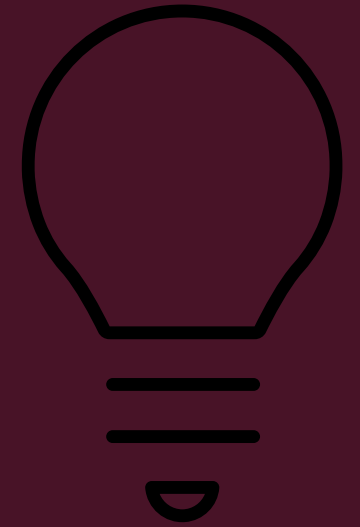
CONSTRUCTION
INVOICES AND
PAYMENTS



SALES TAX



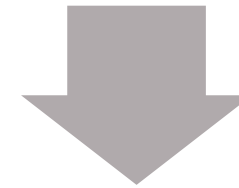
RECONCILING
STATEMENTS



Purchase Orders



Purchase Orders are used to initiate a purchase from a vendor. Ideally, vendor invoices will reference the district purchase order number. If no PO is indicated, the AP Staff may need to investigate further to determine the PO number assigned.



Purchase Orders are used to:

- Complete an approval process prior to the buy
- Communicate the order to the vendor
- Establish a contract with a vendor
- Encumber the amount of the purchase against a budget
- Track receipt of goods and services
- Accumulate expenditure and payment information



Verifying Invoices


Verifying Invoices to Purchase Order

- AP Staff should verify that the items invoiced match the items listed on the PO:
 - Does pricing on invoice match the pricing on the PO?
 - Are the items listed on the PO listed on the invoice?
 - Does the vendor information match ?
 - Have all required documents been received? (i.e. signed contracts etc.)
 - Verify that the three-way match is complete: purchase order, receiving signature and invoice

Verifying Invoice to Receiving Document

- The Purchase order is our preferred Receiving Document for MCPSS. We require a signature of the responsible party that has received the materials. They sign and date the purchase order at the bottom and forward to the appropriate accounts payable clerk to match to incoming invoices.
- Some exceptions would be:
 - Utilities
 - Blanket Purchase orders



COMPLETED PO	INVOICE TO:	COMPLETED PO
PO TOTAL: \$ 612.26 TERMS: Net 30 DELIVERY DATE: 10/04/2023 CCTR-REQ NO: 0700-2416 ORIGINATOR: HOLLOWAY ELI	 MOBILE COUNTY BOARD OF EDUCATION P.O.BOX 180069 MOBILE AL 36618 PHONE:(251)221-4473 FAX:(251)221-4472	PO NUMBER: GP-240007 PO DATE: 10/04/2023 PAGE: Page 1 of 1 PO TYPE: Normal EXPIRES ON: 02/01/2024

SHOW PO NUMBER ON ALL SHIPPING CONTAINERS, PACKING LISTS, INVOICES AND CORRESPONDENCE.

THE INVOICE AMOUNT IS NOT TO EXCEED THE PURCHASE ORDER AMOUNT FOR ANY REASON . ANY CHANGE MUST BE APPROVED IN WRITING BY PURCHASING MANAGER . ANY AMOUNT EXCEEDING THE PURCHASE ORDER AMOUNT WITHOUT PROPER APPROVAL IN WRITING BY PURCHASING MANAGER WILL BE THE RESPONSIBILITY OF THE VENDOR .

SHIP TO:

Managing Discounts and Refunds



Vendors may provide early settlement DISCOUNTS if their invoices are paid within 10 days of the date of the invoice.

This is not always feasible due to the volume of invoices being processed at a given time.

This is not always economically sound, sometimes it is more economical for a district to hold on to their funds and pay within 30 days



There may be times when vendors are overpaid, or items are returned to the vendor and the district/school is due a REFUND.

When the refund is received, funds should be deposited back to the original General Ledger number of the purchase to ensure that the respective cost center and fund accounts receive the appropriate credit.

Construction and Maintenance Invoices

- On construction projects the majority of PO's are blanket which must be reencumbered after each payment.
- You may be asked to pay a percentage of the invoice or pay invoices as work is done in stages, these PO's cross fiscal years so be sure to reencumber the PO until final payment is made.
- Construction invoices are placed on a pay application and presented to facilities management to approve before being sent to accounts payable for processing.
- All construction invoices are required to have an invoice number.
- The majority of maintenance PO's are blanket for supplies, goods and services. Again you must ensure that the PO's for these types of purchases are reencumbered.
- All items on maintenance PO's are verified by receiving/picking tickets.



APPLICATION and CERTIFICATE for PAYMENT

Attach Schedule of Values

ESTIMATE No. _____
DATE: _____
B.C. No. _____

TO OWNER:	PROJECT
FROM CONTRACTOR:	FROM CONTRACTOR:

TOTAL ORIGINAL CONTRACT	\$
CHANGE ORDER(S) Numbers	\$
_____ through _____	\$
TOTAL CONTRACT TO DATE	

1. Work Completed to Date per attached Schedule of Values (_____ %)	\$ _____
2. Stored Materials: <i>(Attach list or Form ABC C - SM, Inventory of Stored Materials.)</i>	\$ _____
3. Total Completed Work and Stored Materials	(_____)
4. Less Retainage	\$ _____
5. Total Due	(_____)
6. Less Total Previous Payments	\$ _____
7. Balance Due This Estimate	\$ _____

CONTRACTOR'S CERTIFICATION

The undersigned Contractor certifies that to the best of his knowledge, information, and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by him for Work for which previous Certificates for Payments were issued and payments received from the Owner and that current payment shown herein has not yet been received.

APPROVALS

Date _____

Approved by _____
(Owner Title)

L. S.
Notary Public

ARCHITECT'S CERTIFICATION

In accordance with the Contract Documents, the Architect certifies to the Owner that, to the best of the Architect's knowledge and belief, the Work has progressed to the point indicated herein, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the amount approved.

(Architect)
Date

By _____
Signature

Date _____

The Owner certifies that funds are available in the amount required for this invoice.

Sales Tax

Alabama Public Schools are non-profit Educational institutions and are exempt from Certain Sales and Use taxes

AP Staff are responsible for verifying invoices so that the system is not charged for sales tax.

When the clerk identifies a sales tax charge, the vendor is notified of our tax-exempt status and are sent an exemption certificate if needed.

More information regarding the sales and use tax may be found at,
<https://www.revenue.alabama.gov>

Reconciling Statements

Vendor Statements should be reconciled to payments records

-Ensures that lost payments can be identified and corrected.

-Identifies past due invoices that need to be addressed.

-Any outlying information such as unapplied credits, or fees from the vendor can be identified.

Invoice Payments



Direct payments without a purchase order



Prepaid Travel Hotel or Registration

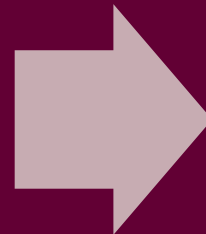


Purchasing Card and Credit Card Transactions

Direct Payments Without a P.O.

Direct payments without a formal PO, may come into play for some of the following reasons:

- Utility Services, such as Water or Power
- Direct payments for insurance
- Travel Reimbursements



For Direct payments, the AP staff will match the vendor invoice to an authorization to pay

Travel – Prepayments



Purchase orders are still required in our District for Prepaid Travel arrangements



There is a travel approval process in place that first must be met through our electronic travel form. Once the employee has their approval to attend a conference and travel, they can request PO's to prepay for Hotels and Registration. Board approval is required on any travel exceeding \$1,200




For prepayment to Hotels, they must provide the AP department with a purchase order, an approved travel request form, and a hotel confirmation showing the amount and details of their stay, including dates and amounts to match the approved PO.



For prepayment for Registration, they must provide the AP department with a purchase order, an approved travel request form and a registration confirmation or form showing amounts due to attend the conference.



Hotel and Registrations are the only allowable prepaid travel items at this time. We do not advance funds for meals, incidentals or mileage.


Mobile County PUBLIC SCHOOLS
Form B3044
Conference Travel and Reimbursement

Application for Travel and Reimbursement:

Employee # First Name Middle initial Last Name
 Position: Superintendent Approves? Yes No
 Email:
 Division/School: Board Approval REQUIRED if >\$600
 Date Approved by Board (if Applicable):
 Vendor Number Not Approved Board Secretary Initials:

Conference Information:		Estimated Expenses:	
Title of Conference:	Location of Conference (City, ST):	Registration:	Prepaid?
<input type="text" value="Archery Eastern National Championship"/>	<input type="text" value="Louisville, Kentucky"/>	<input type="text" value="0.00"/>	<input type="checkbox"/>
From: <input type="text" value="05/08/2024"/>	To: <input type="text" value="05/12/2024"/>	Accommodations:	<input type="text" value="784.63"/>
		Meals:	<input type="text" value="375.00"/>
General Ledger Account Number:	\$ Amt per GL#:	Travel:	<input type="text" value="395.00"/>
<input type="text" value="12-5-2290-382-0720-7101-0-8220-0000"/>	<input type="text" value="0.00"/>	Total Amount Due:	<input type="text" value="1,554.63"/>
Applicant Signature: <input type="text" value="Amanda R Smith"/>	Date: <input type="text" value="03/22/2024"/>	Trip Justification Fo...	
Approver Email: <input type="text" value="jverkouille@mcps.com"/>	Confirm App. Email: <input type="text" value="jverkouille@mcps.com"/>		

This section to be completed after trip has been taken.
 Instructions: Submit this reimbursement request within 5 days of your trip. Receipts MUST be submitted to support the expenses by day detailed below. **DETAIL MEAL RECEIPTS ARE REQUIRED** for reimbursement. Fill out this form completely.

Reimbursement Request Section:

Expense Type	Mon	Tues	Wed	Thursday	Friday	Saturday	Sunday	Total
Meals	0.00	0.00	38.27	11.49		12.71	13.19	75.66
Miles * Current State	0.00	0.00	633.00	0.00	0.00	0.00	632.00	847.55
Other	0.00	0.00	20.14	20.14	20.14	20.14	0.00	80.56

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Date & Time of Arrival:
 Date & Time of Departure:
 Total Expenses:
 Less Prepaid Expenses:
 Total Reimbursement Requested:

Attach Receipts for above Expenses:

Attach Proof of Attendance/Agenda:

I certify to the accuracy of these travel expenses and their compliance with the travel procedures and policy of Mobile County Public Schools.
 Applicant Signature / Date:



Mobile County PUBLIC SCHOOLS

Form T-1 In-County Travel Only

Employee # First Name Middle initial Last Name
 Position Email
 Division/School Month Year

Date of Trip	Point of Departure	Destination	Purpose of Trip	Miles Traveled
04/29/2024	Murphy High School	Saraland High School	Softball Playoffs	25.40
05/03/2024	Murphy High School	19025 Oak Rd West; Gulf	Track Meet Competitic	104.40
05/04/2024	Murphy High School	19025 Oak Rd West; Gulf	Track Meet Competitic	104.40
05/17/2024	Murphy High School	University of Southern IV	Football Spring Game	198.60

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General Ledger Account Number - - - - - - - - Total Miles
 Vendor Number Vendor Application Total Amount Due
 Rate per Mile

I certify that the above Travel claim is true, correct and for official MCPSS mileage only:
 Approver Email: Applicant Signature

Print

Submit

Credit Card Transactions

There are instances when a vendor will not accept payment in the form of a check

- One such instance we are experiencing more and more of is that Hotels will not accept a School Board Check when presented. In that instance we would use a designated purchasing card to complete the transaction.
- Venues for Board Approved Events or System Wide Meetings may not accept check payments.
- We also pay vendors through a virtual card through Regions Bank which has become our preferred method of payment.



AP/SINP: Select Invoices to be Paid (v3.22)

Check Batch # Owner

Batch Information

Description Payment Method Check Credit Card

Comment

Credit Card Options

CC Vendor Regions Bank

Invoice Desc

Reconcile With File

Order for Printing Checks

Ven #/Inv # Ven #/Entry Order Ven Name/Inv # Ven Name/Entry Order

Invoice Selection Criteria

Calendar MM/YYYY To Invoice Type

Due Date From To

Check Batch Number Will Automatically Be Assigned, Click Enter(F1) To Continue.

Payment Types

Paper Checks – The old fashioned, tried and true paper checks to vendors



ACH- We utilize ACH payments for employee reimbursements for travel and other Board Approved expenses.



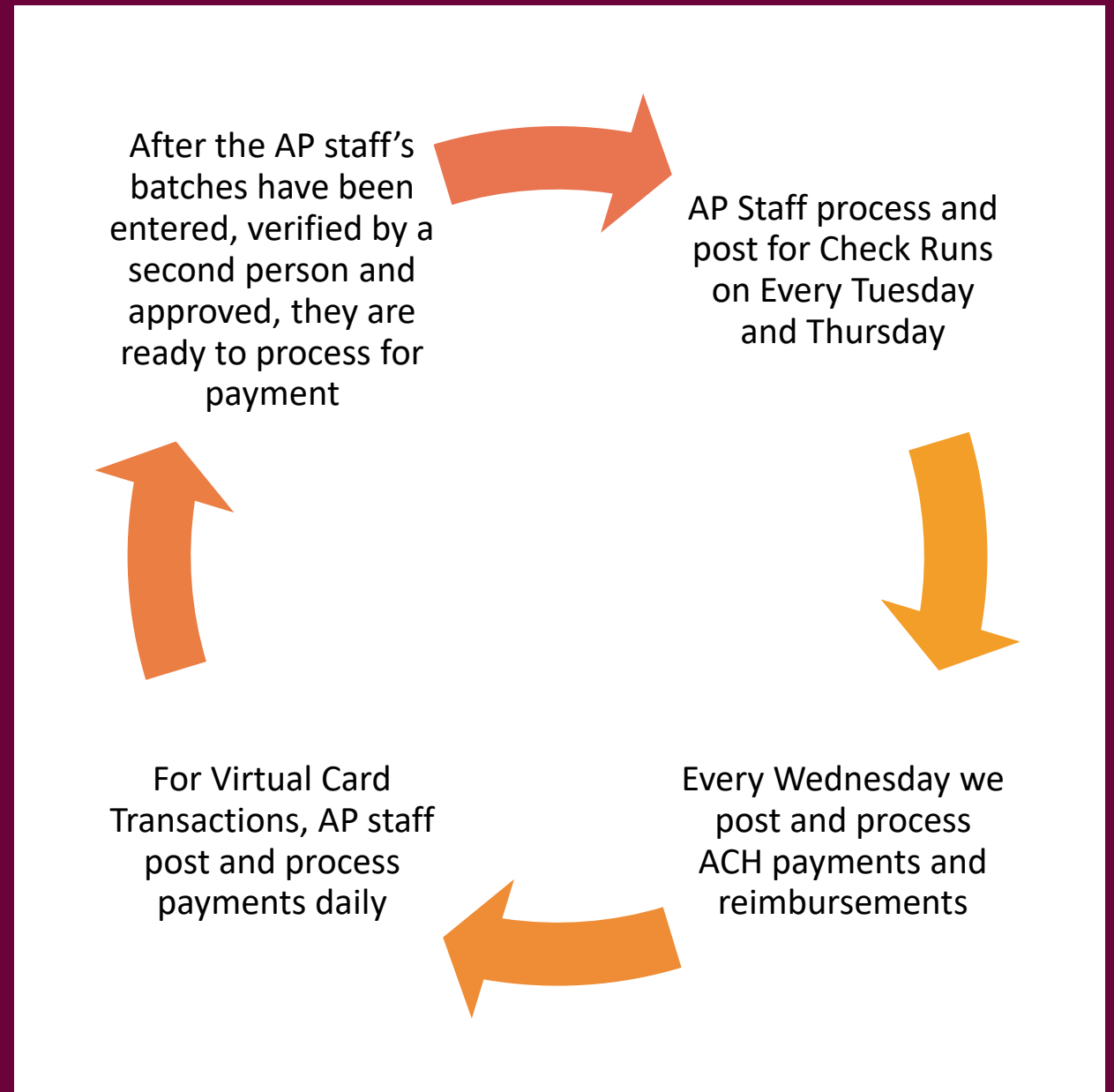
Virtual Card Payments - We offer our regular vendors (not hotels or conferences) the option of signing up for virtual credit card payments. Our School System has partnered with Regions Bank in a virtual card program where the School System receives a percentage back from the processing of the virtual payments. The vendors utilize the virtual card program to receive quicker payments instead of check payments and waiting on the mail, and the School System benefits from the added revenue.



Minimally used System Purchasing Card for exceptions to the other payment options only. This is mostly used for hotels, registration that will not accept a check and emergency purchases.

Payment and Posting Processing

(Remember internal controls, separation of duties, and find a regular routine that works for your school or department)



Resolving Payment Issues



Returned Checks
(from USPS)



Lost Checks



Payments not picked
up by vendor from
virtual card payments

Fiscal Year End AP Procedures

Utilizing Nextgen Aging Reports

Dialing for dollars

Specific funds that have to be closed each fiscal year that require special attention

Closing/Completing Blanket Purchase Orders

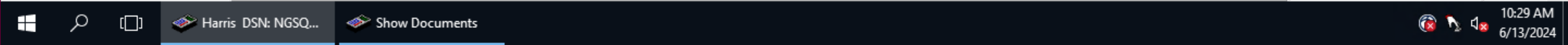


Menu

- MCAI
 - Accounts Payable
 - Allocation Tracking
 - General Ledger
 - Requisitions
 - System Control
 - Purchase Order
 - PO Reports

Application or Transaction Name

- Print Purchase Orders
- Purchase Order Master Report
- Expired Purchase Orders Report
- Inquire/Print POs by Vendor
- Open PO Report by CCTR
- Purchase Order Approval Report
- Purchase Order by Vendor #
- Purchase Order by Cost Center
- Purchase Order Control Listing
- Purchase Orders by Journal #
- Purchase Orders by Prefix
- Invoice Exceeds PO Amount
- PO Aging Report**



Preview

RUN DATE: 06/13/2024
 RUN TIME: 10:29AM

MCAI BUDGETARY ACCOUNTING SYSTEM
 PURCHASE ORDER AGING REPORT
 MOBILE COUNTY BOARD OF EDUCATION

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 PO AGER

Fd-C-Func-Obj-Cctr-SFnd-Y-Prgr-Spec	P.O. Number	P.O. DATE	postatus	0 to 30 Days	31 to 60 days	61 to 90 days	91 or more days
Vendor Name/NO: (MCPSS Employee)TRAVEL LEADERS 101917							
12-5-2215-383-8101-3310-0-3800-1317	G P-243958	04/03/2024	Approved			1,394.34	
12-5-2215-383-8000-4130-0-8220-0000	G P-245684	06/03/2024	Approved	891.83			
12-5-2215-383-0500-4130-0-8220-0000	G P-245694	06/03/2024	Approved	348.60			
12-5-2215-383-0800-4110-0-8220-0000	G P-245715	06/03/2024	Approved	1,133.33			
12-5-2215-383-8101-3310-0-3800-1317	G P-245737	06/04/2024	Approved	912.34			
12-5-2215-383-8101-3310-0-3800-1317	G P-245739	06/04/2024	Approved	777.92			
11-5-4140-392-8101-1222-0-3800-0000	G P-245740	06/04/2024	Approved	1,555.84			
12-5-2215-383-0590-4130-0-8220-0000	G P-245756	06/04/2024	Approved	867.95			
12-5-2215-383-8000-4130-0-8220-0000	G P-245773	06/04/2024	Approved	695.95			
11-5-4140-392-8101-1222-0-3800-0000	G P-245774	06/04/2024	Approved	2,663.88			
11-5-2215-383-0495-1110-0-8220-0003	G P-245787	06/05/2024	Approved	642.94			
11-5-2215-383-0495-1110-0-8220-0003	G P-245788	06/05/2024	Approved	642.94			
12-5-1100-383-8101-3310-0-3800-0000	G P-245813	06/06/2024	Approved	887.96			
12-5-2215-383-0690-4130-0-8220-0000	G P-245818	06/06/2024	Approved	692.95			
12-5-2215-383-0590-4130-0-8220-0000	G P-245825	06/06/2024	Approved	2,273.85			
12-5-2215-383-8100-4130-0-8220-0000	G P-245825	06/06/2024	Approved	757.95			
12-5-2215-383-0530-4130-0-8220-0000	G P-245863	06/10/2024	Approved	1,335.90			
12-5-2215-383-0800-4110-0-8220-0000	G P-245874	06/10/2024	Approved	1,688.95			
12-5-2215-383-0090-4130-0-8220-0000	G P-245884	06/11/2024	Approved	662.97			
12-5-2215-383-0345-4130-0-8220-0000	G P-245920	06/11/2024	Approved	572.44			
12-5-2215-383-0650-4130-0-8220-0000	G P-245943	06/12/2024	Approved	802.96			
12-5-2215-383-0460-4130-0-8220-0000	G P-245960	06/12/2024	Approved	1,425.90			
12-5-2215-383-0595-4110-0-8220-0000	T1-241399	06/03/2024	Approved	5,413.69			
12-5-2215-383-0495-4110-0-8220-0000	T1-241425	06/06/2024	Approved	812.94			
12-5-2215-383-0495-4110-0-8220-0000	T1-241426	06/06/2024	Approved	697.95			
12-5-2215-383-0495-4110-0-8220-0000	T1-241427	06/06/2024	Approved	697.95			
12-5-2215-383-0495-4110-0-8220-0000	T1-241428	06/06/2024	Approved	797.95			
12-5-2215-383-0495-4110-0-8220-0000	T1-241429	06/06/2024	Approved	767.96			
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12-5-2215-383-0495-4110-0-8220-0000	T1-241431	06/06/2024	Approved	767.96			
12-5-2215-383-0495-4110-0-8220-0000	T1-241432	06/06/2024	Approved	767.96			
12-5-2215-383-0495-4110-0-8220-0000	T1-241433	06/06/2024	Approved	767.96			
12-5-2215-383-0495-4110-0-8220-0000	T1-241447	06/10/2024	Approved	767.96			
12-5-2215-383-0495-4110-0-8220-0000	T1-241448	06/10/2024	Approved	767.96			
12-5-2215-383-0495-4130-0-8220-0000	T2-240094	06/05/2024	Approved	617.95			
12-5-2215-383-0245-4130-0-8220-0000	T2-240096	06/06/2024	Approved	657.95			
Vendor Total :				60,858.02	0.00	2,788.68	0.00
Vendor Name/NO: (MCPSS STUDENT)TRAVEL LEADERS 119359							
12-5-2215-383-0800-4110-0-8220-0000	G P-245873	06/10/2024	Approved	989.95			