

FINANCE PROCEDURE MANUAL	TITLE: Accounts Payable Processing - Standard Purchase Order	
	NUMBER: FIN-ACP-001	VERSION: 01
	ISSUED DATE: 9/8/2009	REVISION DATE: 2/8/2013

➤ **Purpose:**

To document the steps taken by Accounts Payable to pay vendors for goods and services through the Standard Purchase Order.

➤ **Definitions:**

EFT (Electronic Funds Transfer): Similar to direct deposit, which is an alternative means of transmitting payments electronically to vendors (and others) instead of “cutting” a paper check.

Invoice: Non-negotiable commercial instrument issued by a seller to a buyer. Also called a bill of sale or contract of sale, it identifies both trading parties and lists, describes, and quantifies the items sold, shows the date of shipment and mode of transport, prices and discounts (if any), and delivery and payment terms.

PantherNet: The online Enterprise Resource Planning (ERP) system used to track and maintain operations at the College including financial, student, and payroll/personnel records.

Receiving Record: An electronic record in PantherNet that reflects the quality, quantity, and condition of incoming goods.

Requisition: An electronic document, which requires accurate accounting information for the commitment, a description of material and/or service, the quantity, date, and estimation of cost.

Standard Purchase Order: Term used to signify a three-way match process (Purchase Order, Receiving, and Invoice) that must take place for invoices to be paid.

➤ **Responsibility:**

Accounts Payable: Responsible for accurate and timely payments.

Check Processor: Responsible for proofing checks and mails checks to vendors or sets up check for pick up.

College Controller: Responsible for the direct supervision of the Finance Department.

College Departments: Responsible for conveyance of details of services performed for approved College activities to Finance.

Finance Department/Accounts Payable/Bookkeeping: Responsible for the processing of cancellations of checks.

Information Technology: Generates associated transactions and reports.

Purchasing: Responsible for the maintenance of the vendor database and issuance of Purchase Orders.

Receiving Department: Responsible for verification of delivery and completion of the Receiving Record.

➤ **Procedure Details:**

1. College Departments initiate the request for goods/services through the creation of a Requisition.
2. Purchasing processes a Purchase Order (See Purchasing Procedures).
3. Accounts Payable receives invoice from vendor.
4. Receiving Department reviews incoming shipments for accuracy based on Purchase Order information.
5. Receiving Department completes the Receiving Record in PantherNet matching up only the items received.
6. Accounts Payable matches invoice to Purchase Order and Receiving Record. Many purchase orders will have numerous invoices for partial payments. These invoices must be honored if the items listed on the invoice have been received. We do not hold payment for receipt of the entire purchase order.
7. If any document (Purchase Order, Receiving Record, or Invoice) does not match, the invoice will not be set up for payment until all discrepancies are resolved.

8. Once all documents are matched (Purchase Order, Receiving Record, and Invoice), Accounts Payable personnel process invoices for payment in PantherNet and scan the invoices and attachments.
9. When payment is processed, a check or EFT will be generated from PantherNet and the Check Processor mails the check (when applicable) to the vendor. If checks have been set up for pick up then the department/vendor is called when checks are ready and the checks are sent to the Cashiers Office where pick up takes place.
10. The Check Processor will attach a copy of the check to the invoice and file it in Accounts Payable until the holding period for scanning purposes is complete.

➤ **References:**

Accounting Manual for Florida's College System:

http://www.palmbeachstate.edu/finance/Documents/State_of_FL_Acctg_Manual.pdf

Florida Statutes: Chapter 1010.04

<http://www.flsenate.gov/Statutes>

SBE Rules: 6A-14.0734

<https://www.flrules.org/gateway/RuleNo.asp?ID=6A-14.0734>