

POLICY AND PROCEDURE	DOC NO.	BMI-PP-FAA-002
	REV NO.	
	PAGE	1 of 3
	EFFECTIVE DATE	November 28, 2024
NON-TRADE ACCOUNTS PAYABLE		
Prepared by:	Reviewed by:	Approved by:
Elliza Nicole D. Hora	Rachel A. Cartagena	Kathleen D. Reyes, MHM, DBA
Accounting Head	Finance and Accounting Director	Chief Operating Officer

#### 1. PURPOSE

The purpose of this policy is to establish procedures for the timely and accurate processing of non-trade accounts payable transactions. This includes ensuring that all payments are properly authorized/approved, supported by appropriate documentation, and recorded in accordance with the company's financial policies.

#### 2. SCOPE

This policy applies to all non-trade accounts payable transactions within the company such as:

- 2.1. Utilities (electric, water, association dues, etc.)
- 2.2. Fleet card/Fuel expenses
- 2.3. Postpaid and prepaid communication expenses
- 2.4. Rentals (staff house, office, warehouse)
- 2.5. Employees weekly reimbursements (revolving fund)
- 2.6. Insurance premium (vehicle, fire, life insurance, surety, etc.)
- 2.7. Vehicle LTO renewals
- 2.8. Professional fees
- 2.9. Contractors Fees
- 2.10. Representation to customers
- 2.11. Customer send outs, distilled water, LIS
- 2.12. Rebates/TPC
- 2.13. Other non-selling product related expenditures

#### 3. ACCOUNTABILITY

- 3.1. Accounts Payable Associate- responsible for processing non-trade payables, ensuring accurate data and maintaining records of payments.
- 3.2. Cash Disbursement Associate- ensures that all payments due are paid on a timely manner.
- 3.3. Accounting Manager- verifies the accuracy of all non-trade invoices for payment and authorizes payments to be done based on the respective approved delegation of approvals.
- 3.4. Vendors- submits invoices or statement of account accurately and timely of invoices to the Accounting Department.

#### 4. POLICY

- 4.1. All payment request forms for payment must be completely filled-out with the necessary information and shall be duly signed by the authorized signatories.
- 4.2. The completely filled-out and signed payment request form shall be submitted via email to Accounting Department.
- 4.3. The submission cut-off for payment to be processed within the day is every 4pm.
- 4.4. All liquidation requests shall be liquidated within three (3) working days.
- 4.5. No employees can request for a cash advance if he/she has unliquidated expenses.
- 4.6. All payments to suppliers, rental, hotel accommodation should be paid directly to the vendor unless approved by the Accounting Manager to deposit directly to the employee on a case-to-case basis.
- 4.7. All payments, especially TPC or rebate, shall only be processed once the invoices of the said request are paid with the attachment of the collection receipt as a proof of payment. Unless otherwise, the payment request without necessary attachment is approved by the President/Vice-President.

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## 5. PROCEDURE

### 5.1. Invoice/Request Receipt and Verification

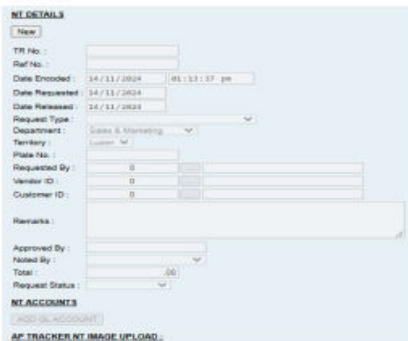
- 5.1.1. The accounts payable associate shall receive all the non-trade hard-copy or electronic (email, e-invoicing system) invoices from the vendor or service provider.
- 5.1.2. The accounts payable associate checks and verifies that the invoice has the following information:
  - 5.1.1.1. Addressed to the company
  - 5.1.1.2. Vendor name, address, invoice date, description of services/products, amounts, and payment terms
  - 5.1.1.3. Correct payment amounts due, due date and payment terms
  - 5.1.1.4. Supported by any relevant contracts, purchase orders (if applicable), or other documentation

### 5.2. Authorization and Approval

- 5.2.1. The department supervisor/manager shall verify the following prior to signing:
  - 5.2.1.1. The accuracy of the indicated amounts
  - 5.2.1.2. The legitimacy of the incurred expense and if within the approved budget
  - 5.2.1.3. Adherence to prior agreements or signed contract
- 5.2.2. All non-trade invoices payment request must be duly signed by the authorized signatories.
- 5.2.3. For recurring non-trade expenses (e.g., rent, utilities), ensure that the agreed payment terms and amounts match with the contract or service agreement.

### 5.3. System Data Entry (AP Tracker)

- 5.3.1. Once authorized, the AP associate enters the invoice details into the BMI system <https://www.biositemed.com/biosite/app/login/>
- 5.3.2. The AP associate goes to the Accounting Menu then chooses AP Tracker Non-Trade and fill-outs all necessary details needed below:



**NT DETAIL3**

New

TR No.:

Ref No.:

Date Encoded: 14/11/2024 01:13:37 pm

Date Requested: 14/11/2024

Date Released: 14/11/2024

Request Type:

Department:

Territory:

Plate No.:

Requested By:

Vendor ID:

Customer ID:

Remarks:

Approved By:

Noted By:

Total:


Request Status:

**NT ACCOUNT3**

MOD OR REQUEST

AP TRACKER NT IMAGE UPLOAD:

- 5.3.3. The AP associate ensures the correct cost centers and accounting expense entries (e.g., rental, utilities, professional fees, etc.) have been chosen.

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- 5.3.4. The AP associate ensures the payment terms (net 30, net 60, etc.) and any early payment discounts are recorded correctly.
- 5.3.5. The cash disbursement associate shall process the payment with the approval of the Accounting Manager.

## 6. REFERENCE DOCUMENTS

- 6.1. BMI-PP-FAA-001 Filing and Replenishment of Revolving Fund

## 7. FORMS

- 7.1. BMI-FORM-SLS-002 – Representation Request Form
- 7.2. BMI-FORMS-FAA-002- Cash Advance Form
- 7.3. BMI-FORMS-FAA-004- Rebates/TPC Request Form
- 7.4. BMI-FORMS-FAA-005- Revolving Fund Request Form
- 7.5. BMI-FORMS-ADM-002- Vehicle Repair & Maintenance Request Form
- 7.6. BMI-FORMS-ADM-003- 3<sup>rd</sup> Party Transport Service Request Form
- 7.7. BMI-FORMS-ADM-004- Meeting Refreshment Request Form
- 7.8. BMI-FORMS-ADM-008- Other 3<sup>rd</sup> Party Service Request Form

## 8. AMENDMENT CLAUSE

- 8.1. Management reserves right to change, amend, or further improve this policy, in accordance to the provisions of the law, from time to time as it may deem necessary.