

Davis Technical College

Payment Policy and Procedures

Effective Date: 27 June 2013
President's Council Approval: 29 April 2013
Board Approval: 27 June 2013

1. Purpose

The purpose of this policy is to outline the payment policies and procedures for the Davis Technical College (College).

2. Policy

2.1 Payments for goods and services will be made only after the requirements of the College Purchasing policy have been satisfied.

2.2 Executed contracts, written agreements, and purchase orders shall serve as prior payment approval as authorized in the College Purchasing Policy.

2.3 Check requests shall serve as prior approval for memberships, subscriptions, postage, or other items which require payment prior to receiving the goods or services as allowed under the College Purchasing Policy.

2.4 Travel related advances and reimbursements will be paid only after the requirements of the Travel Reimbursement Policy have been met.

2.5 Invoices received for goods and services for which prior approval was not received cannot be paid without approval of the Vice President of Administrative Services or College President before payment will be made. Invoices related to reoccurring services such as utilities or periodic service agreement renewals are exempt from this requirement.

2.6 The College requests that vendors offer the school net 30 terms. Every attempt should be made to take advantage of early payment discounts, rebates, etc. if the effort to obtain these is not greater than the benefit.

2.7 The Fiscal Services Office shall comply with all IRS Form 1099 reporting requirements. Payments will not be issued to vendors who have not supplied all the information required for the issuance of a 1099.

2.8 Urgent checks may be requested in emergency situations or in instances when payment is required under a short deadline. Urgent checks must be requested no later than 24 hours before needed if possible, and must be approved by the Controller or Vice President of Administrative Services.

2.9 The Controller or Vice President of Administrative Services are authorized to determine the best method of payment to vendors, once the requirements of the College Purchasing and Travel policies have been met.

3. Procedures

3.1 Invoices with Prior Approval

3.1.1. Accounts Payable will receive invoice from vendor and match it against purchase order or requisition.

3.1.2. Accounts Payable will send the invoice via the scanning system to the requestor for verification that the goods or services were received. It is the requestor's responsibility to ensure the goods and services were satisfactorily received.

3.1.3. The requestor's electronic approval for payment will indicate the items or services have been received.

3.1.4. Accounts payable will then enter the information into the Accounts Payable system to generate the payment.

3.1.5. Accounts Payable will run payment batches and issue payments once per week, or as needed.

3.2. Invoices received without prior approval

3.2.1. Accounts Payable receives an invoice from vendor and determines that no contract, purchase order, or other form of prior authorization exists. The invoice will be forwarded to the employee responsible for the acquisition utilizing the scanning system.

3.2.2. The employee will then:

3.2.2.1. Verify of the receipt of the goods and services.

3.2.2.2. Provide the account number to be charged.

3.2.2.3. Provide written explanation as to why prior approval was not obtained along with any and all documentation required by the College Purchasing Policy.

3.2.2.4. Forward the invoice to their supervisor if the amount of the invoice exceeds their purchasing authority.

3.2.3. The employee or their supervisor will forward the invoice to the Vice President of Administrative Services or College President for approval.

3.2.4. The Vice President of Administrative Services or College President will forward approved invoices to Accounts Payable for regular processing or return the invoice to the employee with instructions on what additional items will be needed to for the College to process the invoice, if the employee should return the goods, or if the employee is personally liable for the charges.