

Big Bend Community Based Care Policy & Procedure

Series: 1300: Financial Management

Policy Name: Accounts Payable

Policy Number: 1320

Origination Date: 1/29/2009

Revised: Board Meeting of 12/13/2018

Policy

To ensure the timely processing of invoices, it is the policy of Big Bend Community Based Care, Inc. (BBCBC), to accurately manage the accounts payable system, maintain accounting of all checks written for expenditures and reimbursements, maintain up-to-date vendor files and produce accurate monthly reports.

Procedure

A. General Accounts Payable Procedures.

1. Original vendor invoices and certified vendor statements are processed. Payments will not be made from vendor statements. Invoices must be sent to the BBCBC Fiscal Department for review. A check request is accepted in lieu of an invoice in the case of refunds, employee non-travel reimbursements and other extraordinary circumstances.
2. Before sending invoices to the BBCBC Fiscal Department, the following steps must be followed by the department:
 - a. Invoices are to be date stamped at the original mailing destination. If the original destination is the fiscal department, the fiscal department will date stamp the invoice and forward to the appropriate Accountant.
 - b. Invoices are matched with the approved purchase order, if required by *BBCBC OP 1300-1322, Procurement of Goods and Services*. Bills of lading must be attached as applicable.
 - c. Verify invoices for quantities, unit prices, freight charges and invoice total. Verify that sales tax has not been applied. Make adjustments on the invoice as appropriate.
 - d. Submit approved vendor invoices to the BBCBC Accounting Department. Accounting Department must have the approved invoice by the attached payment schedule.
3. In the event that delay of payment to the network from purchasers may cause a delay in payment to a provider, BBCBC will notify the provider within fifteen (15) days of receiving notification from the purchaser.

B. Accounts Payable Check Writing.

1. The following steps are followed for processing vendor invoices:
 - a. The designated Accountant reviews and date stamps all invoices received from either inter-department mail, email or from the U.S. Postal Service mail.
 - b. All invoices are processed prior to entering into the accounts payable software module. Invoices are forwarded to the appropriate department if incomplete. No invoices or check requests may

Big Bend Community Based Care Policy & Procedure

be payable to “cash.”

- c. Each week, a designated Accountant inputs invoices in batches based on when the invoice was received into the accounts payable module.
- d. Once the invoices are input into the accounting system an Accounts Payable Voucher Register (Unposted General Ledger Report) is generated. The Voucher Register is reviewed for posting accuracy.
- e. Invoice batches with the corrected AP Voucher Register are forwarded to the Director of Finance and Accounting or designee for detailed review and the CFO for final approval (initials). Following review, the batches are returned to the Accountant for any corrections and are rerouted for final approvals (initials). The Director of Finance and Accounting, the CFO or a designee posts the AP batch.
- f. Valid and appropriate invoices received will be processed for payment no later than thirty (30) days after receipt.

A copy of each check/voucher is attached to the paid invoice package and filed in the vendor's file. The check and invoice stub are mailed/emailed to the vendor. These files are in 'date paid' sequence for easy reference and in alphabetic order by vendor.

- 2. The following steps are followed for processing FSFN payments:
 - a. Recurring payments for Foster Care, Independent Living, Adoption Subsidies and other non-recurring FSFN data is exported from FSFN after verification from the Placement Supervisor and provided to the fiscal department by the a designated time period each month.
 - b. Data is validated prior to importing into the accounting system by a designated Accountant. Vendor ID's are verified as established vendors existing in the accounting system. Any new ID's are only entered from an original FSFN generated invoice. The data import file is matched to the FSFN checkwrite file and OCA Summary Report to verify totals and accuracy.
 - c. Once the data is validated, the designated Accountant will import into the accounting system, and run an Accounts Payable Voucher Register that reconciles to the FSFN documentation.
- C. All processed invoices with the corrected AP Voucher Register are forwarded to the Director of Finance and Accounting or designee and CFO for review and approval and appropriate coding. Approval is indicated on the AP Voucher Register (initials). Corrections are recorded and final approvals (initials) are indicated on batch report. The Director of Finance and Accounting, CFO or designee posts the AP batch.

1. Check Processing.

- a. The Director of Finance and Accounting or designee prints the pre-check writing report for the items selected for payment and reviews for reasonableness of vendor names, coding as to Fund Code, Corp Code, Cost Pool Code and amounts. In addition, the Director of Finance and Accounting or designee prints bank balance report to identify cash need and availability. The reports are forwarded to the CFO or designee for review. Authorization on these reports is indicated by the Director of Finance and Accounting or the CFO.
- b. A designated Accountant prints checks and electronic funds transfer vouchers (“vouchers”), and sends notification to Director of Finance and Accounting or designee for the batch to be posted.
- c. All blank check stock/blank vouchers are kept in a locked cabinet and/or file cabinet. Keys are maintained by the CFO or the Director of Finance and Accounting. Checks are signed out by

Big Bend Community Based Care Policy & Procedure

the Director of Finance and Accounting or designee using the Check Control Form to the designated Accountant, who verifies receipt of checks. Once the printing process is complete the Director of Finance and Accounting or designee signs the Check Control Form verifying the next check number for the upcoming check batch. Checks/Vouchers are placed returned to the locked cabinet until subsequent checks are issued.

- d. The Director of Finance and Accounting or designee posts the check write batch to the detailed general ledger and a designated accountant produces a check register to utilize in the verification of check/voucher process.
- e. All checks will have dual signatures.
- f. Printed checks and vouchers are returned to the designated Accountant. The designated Accountant must reconcile the checks/vouchers with the corresponding invoices and purchase orders prior to distribution of the checks/vouchers and prior to upload of the electronic funds transfer file to the bank. Once the designated Accountant verifies the backup to the checks/vouchers, this is communicated to the Director of Finance and Accounting or designee. Checks/Vouchers are processed for mailing.
- g. The Director of Finance and Accounting or designee will then send the Voucher EFT file to the bank.

D. Accounts Payable/Expense Month-End Process. All invoices for the month are posted as follows by Accounts Payable.

1. Enter the final vendor invoices for the month into the Accounts Payable module as detailed in the weekly procedure.
2. Accounts Payable balances are reviewed for reasonableness by the Director of Finance and Accounting or designee.
3. The Director of Finance and Accounting and the CFO perform a detailed review of the general ledger during the month end closing process for proper coding, missing invoices and other unusual transactions