Finance Director Meeting
Accounts Payable

September 16, 2014
Accounts Payable
Presentation Overview

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Acceptable Documentation
Invoices must show The George Washington University as the “bill to”.
Original Invoices are required. However, many of the invoices now come to AP through the Remedy eForm or AP email box from our internal and external users. Therefore, these invoices are considered original. We do receive invoices directly from the vendors delivered by the USPS.

Acceptable documentation is:
- Original invoices.
- Fully executed contracts.
- Letter agreements.
- Other viable document that shows an obligation due a vendor/supplier.

AP does not accept, as viable evidence of an outstanding obligation to a supplier/vendor:
- Proforma invoices, written estimates, written quotes, packing slips, e-mails, statements or similar documents. Such documents will not be accepted as evidence of an obligation and will not be used to disburse payment.

An invoice with an invoice number, remittance information and contact information from the supplier is required. Examples of exceptions are:
- Honorariums
- Awards
- A valid purchase order number (with release number, if a blanket purchase order), when the purchase requires a purchase order.
- Purchase order related invoices with invoice numbers do not require a completed and approved Payment Request Form.
  - Approval is given by writing on the invoice “ok to pay”.
  - The approval is signed and dated. The approver should print his/her name after the approval signature.
  - The approver should identify his/her title.
- Under no circumstances should an invoice be modified, including handwritten notations, to improve readability and legibility. AP personnel will not process an invoice that is illegible and/or difficult to read. The document must stand on its own.
- A W-9, W8 BEN, or Worker’s Classification Statement, if applicable, is required.
• Allow three to five business days after the invoice/payment request is received by AP for processing.
  • Processing means the invoice/payment request has been posted to Oracle/EAS.
  • It will be eligible for payment when the payment terms are met.
• Invoices/payment requests are paid within payment terms set at the supplier master level.
• GW’s payment terms, in general, are 30 days. If you have a supplier with different payment terms, work with Procurement and/or Supplier Maintenance to update the terms.
• Payment cycles occur on Monday, Wednesday and Friday, unless there is a holiday. In the event of a holiday, AP will “pay through” to the first business day following the holiday.
• The preferred method of payment is ACH/electronic payments.
• Direct questions about payment status to AP Customer Service at apcustsv@gwu.edu.
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Stipends

• Review the monthly stipend calendar and become familiar with its dates.
• Take the necessary actions to ensure each stipend is initiated, approved and released by the dates presented on the calendar.
• The initiator (or creator) of the stipend receives an email for every workflow step showing the stipend was approved or rejected. As such, the initiators should monitor the stipends’ progress through workflow.
• The approver and releaser:
  • Receive email alerts when stipends are pending action. As such, they should take the appropriate action timely.
  • Should have a backup assigned within SMA.
DCF Reminders
• The DCF form must be completed in its entirety and submitted timely for processing.
• All DCFs not submitted to AP within 60 days of the initial posting to the BPR (GL-324B) for GL related activity or to the Award Project Performance Report (GM-139) for grant related items must be accompanied by a memorandum of explanation.
  • If GCAS and OVPR’s approval is required, allow sufficient time to their review and approval.
• Sponsored project related DCFs should be submitted to your OVPR contact for approval and then forwarded to GCAS.
  • Please do not submit sponsored project related DCFs directly to AP.
• All DCFs must be signed and the signature of the approver must be legible. As a precautionary measure, the approver should print their name next to or underneath their signature.
• No one individual can act in both the role of the preparer and the approver for a DCF submission.
• No one individual can approve a DCF to adjust activity for their own personal CONCUR expense report submissions.
• DCFs can only be submitted to adjust transactions that were initiated in the AP system. DCFs cannot be utilized to adjust journal entry activity. On the BPR, AP activity is identified in the Category/Source as ‘Purchase Invoices’.
• A legible copy of the BPR or APPR must accompany the DCF.
• All adjustments must be of a value of $5.00 or greater for GL related transactions.
• Each DCF should be separate and a complete packet. Ex: If there are multiple DCF’s, but they all show on the same pages of the BPR – the BPR should be copied and attached to each DCF.

All DCFs over 60 days will be reviewed by Finance Management and a determination will be made as to whether the DCF will be accepted for processing.
Concur Issues
Issues Encountered by AP:

- “Lumping” of multiple receipts into one expense line item. Acceptable if from same vendor and same day. Unacceptable if any of the following criterion are met: different vendors, different days, different types of expenses.
- Frequent use of Missing Receipt Acknowledgment and Approval form.
- Itemized receipts are not provided.
- Using the PCard to pay “after the fact”, when an invoice is received after goods are delivered or services are rendered.
- Alcohol, regardless of whether or not the amount is under the $35 threshold, must be broken out separately into the entertainment bucket.
- Receipts received are illegible or obstructed.
- Upgrades in travel with no business justification and/or the VP or Dean’s approval.
- Weak, missing, inadequate business purposes and business justifications.
- The Concur mileage calculator tool (preferred) or submit a printout from Google Maps to substantiate mileage claim.
- Omitting documentation (brochures, announcements, flyers) for events (“open events”) when attendee lists are not possible/reasonable.
- Continued personal usage of the P-cards.
Appendix - AP’s Audit Steps
AP’s Audit Steps

- Review the legibility and readability of the support.
  - Each alpha and numeric character must be distinguishable.
- Verify invoice is addressed to George Washington University.
- Check for exemption from sales/use tax (exception: Hotels in VA).
  - Deduct tax from invoice and send tax exemption certificate to supplier
- Determine if purchase type requires a Purchase Order (PO). Use the list of exceptions to aid determination.
  - If PO is required, but a PO number is not provided, contact the submitter or approver.
  - If PO related, verify the availability of funding.
- Validate documentation for adequacy and evidence of an obligation.
  - Acceptable documentation is:
    - Original invoices.
    - Fully executed contracts.
    - Letter agreements.
    - Other viable document that shows an obligation due a vendor/supplier.
- Invoices received via email are considered original.
- Do not pay from proforma invoices, written estimates, written quotes, packing slips, e-mails or similar documents. Such documents will not be accepted as evidence of an obligation and will not be used to disburse payment.
- Do not pay from statements, including past due amounts or balances. Coded and approved invoices or invoices with valid purchase orders are required to remit payment.
- Thoroughly research invoices that are 45 days old or older before they are posted to Oracle/EAS. The research should include:
  - A wild card search on invoice number.
    - The invoice number and variations of the number should be used in the search.
  - A search on invoice amount.
  - A review of the supplier/merchant's invoice history.
  - A search on activity posted against the PO, if applicable.
- Use invoice number protocol when an invoice number is not present.
AP’s Audit Steps

- Validate existence of proper approvals.
  - A payee cannot approve his/her own expenses.
  - A individual cannot serve as both a requestor and an approver on the same invoice or payment request.
  - Invoices without a PO need school/department/organization/enduser’s approval. Check list of PO exceptions.
  - Any payment requiring a PO, but does not have one must be approved by the AP Supervisor or Director of Accounts Payable (usually related to PTAs) Must have signature of approver, manager and OVPR if PTA related.
  - Service related invoices that have an associated PO (2 way match) in an amount of ≥$2,500 require approval from the school/department/organization/enduser’s approval.
  - Sponsored project related invoices or requests must have OVPR’s approval, including requests and/or invoices associated with 3 way (invoice, PO and receiver) and 2 way (invoice and PO) match POs.
  - DIT related invoices or requests must be have DIT’s approval, including requests and/or invoices associated with 3 way and 2 way match POs.
  - Tax Department’s approval for international related payments, except for expense reimbursements.
  - A single invoice or payment request greater than $25,000 must have AP Management approval.
    - $25,000 to $75,000 - AP Senior Specialists
    - $75,000 to $250,000 – AP Manager
    - $250,000 to $500,000 – AP Director
    - Above $500,000 – Executive Director
  - Obtain a supplier number (and location code, if applicable) through searches within Oracle/EAS. Match on the supplier name and remittance address on the source document.
    - If no supplier number (or correct location code) exists, submit a Supplier Maintenance Request.
  - Review the existence of W-9, W8 BEN, if applicable.
  - Identify the payment method (check, ACH or wire).
  - Post the invoice or payment request to Oracle.
Questions?
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For More Information

Accounts Payable Policies - http://accountspayable.gwu.edu/policies

Accounts Payable Forms - http://accountspayable.gwu.edu/forms

Financial Transactions Adjustment Policy -
http://my.gwu.edu/files/policies/FinancialTransactionsAdjustmentPolicyFINAL.pdf

DCF Information : http://accountspayable.gwu.edu/departmental-correction-form

Stipend Information: http://accountspayable.gwu.edu/stipend-management-system

Procurement Card (P-Card) Policy - http://my.gwu.edu/files/policies/ProcurementCardFINAL.pdf