

ACCOUNTS PAYABLE & PURCHASING Policies & Procedures

Department Training

Accounts Payable

Angela Carron
Laura Thrasher
Melissa Garzanelli

Purchasing

Kim Murphy
Lori Davenport
Linda Bondy

Last Updated January 2013

Who to Contact

In order to better assist you, this is a reminder of who to contact in the Accounts Payable and Purchasing departments, based on your needs. However, if someone is not available, please feel free to contact another member of the department for assistance.

Accounts Payable:

Angela Carron-Supervisor of Accounts Payable and Grants

- **Phone: x4157** **e-mail: acarron@truman.edu**
- Supervises and assists with Accounts Payable/P-Card/Post-Award Grant operations and questions
- Processes backcharges, accounting corrections, and revenue budget transfers
- Creates new accounting string numbers (fund, organization, account, program, activity) with proper approvals
- Manages budget access rights
- Reviews grant proposals prior to submission
- Oversees external grant financial reporting
- Supervises and assists with training for TruView Financial Management features, e-print, other applicable Banner applications and Fundriver (Foundation)

Currently Vacant Position-Accounts Payable Clerk

- **Phone: x4158** **e-mail: procurement@truman.edu**
- Processes all non-payroll payments for both the University and Foundation
- Adds new vendor payees to financial system upon receipt of appropriate tax form(s)
- Assists with travel expense and online requisition questions

Laura Thrasher-Accounts Payable Specialist

- **Phone: x4458** **e-mail: lthrasher@truman.edu**
- Manages all aspects of the procurement card program
- Updates budget access rights and assists/trains users on TruView Financial Management features
- Processes recurring, monthly backcharges
- Assists with travel expense and online requisition questions

Melissa Garzanelli-time is split between Accounts Payable and Student Accounts

- **Phone: x4289 (Accounts Payable)** **e-mail: melissag@truman.edu**
- Assists Accounts Payable with various auditing and reporting responsibilities

Purchasing:

Kim Murphy - Supervisor of Purchasing

- **Phone: x4159** **e-mail: kmurphy@truman.edu**
- Oversees the Purchasing department's operations
- Projects – joint effort with Campus Planning
- Requests for Proposals (RFPs)
- Assigns online requisitions to Purchasing or AP

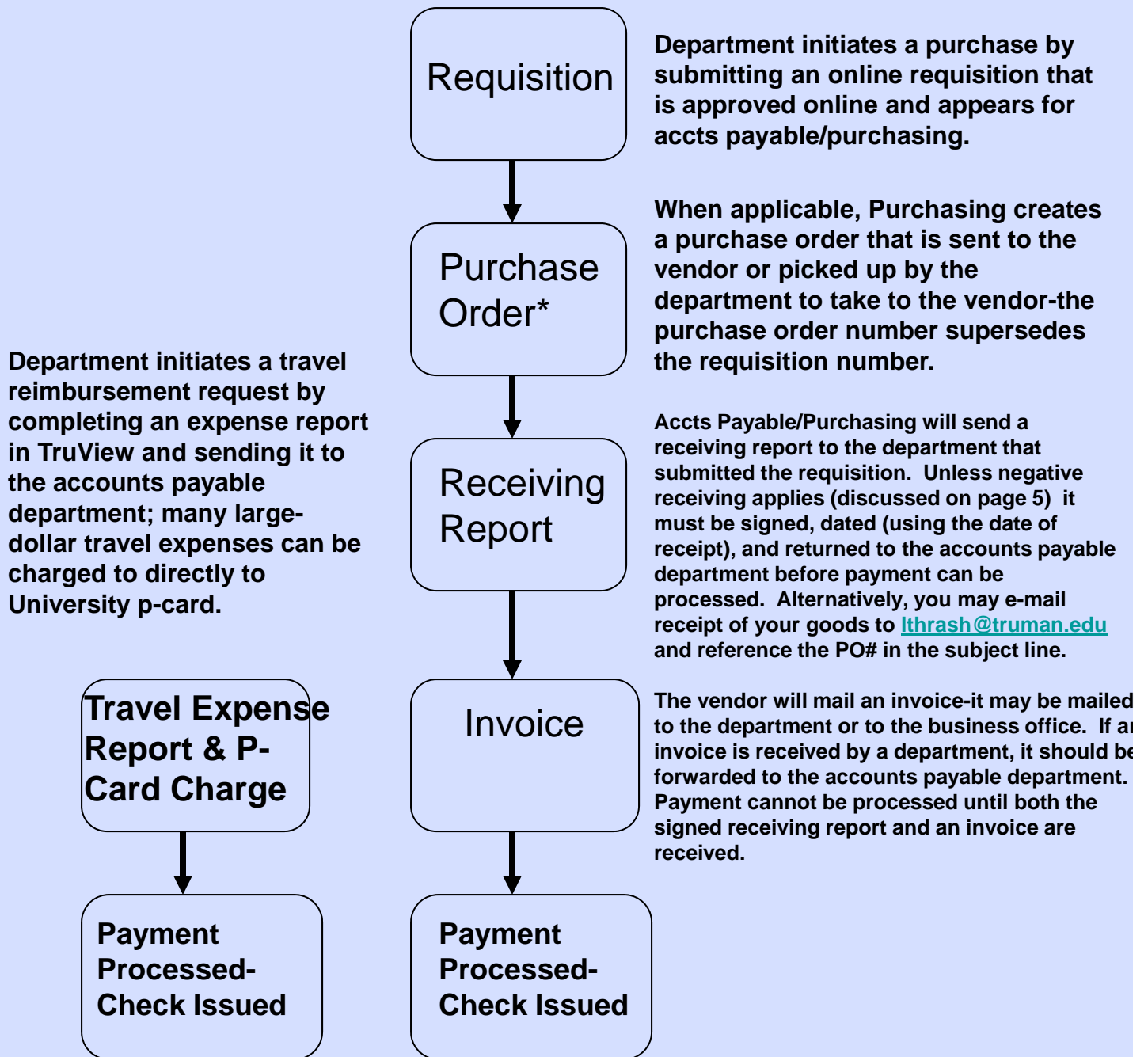
Lori Davenport - Buyer

- **Phone: x4159** **e-mail: purchasingbuyer@truman.edu**
- Process purchase orders for small dollar orders and blanket orders
- P-card purchases, when applicable
- Bids
- Requests for Proposals (RFPs)

Linda Bondy – Purchasing Clerk (time is split among Purchasing, Cashiers, and Front Office)

- **Phone: x4149** **e-mail: businessfrontdesk2@truman.edu**
- Process purchase orders for small dollar orders and blanket orders
- P-Card purchases, when applicable

Flow of Documents



*Note: If the Business Office determines that a particular payment does not require a purchase order, Accounts Payable will finish processing the document by paying the vendor directly which we call a direct payment. This might include payments such as honorariums. When a direct payment is processed, a receiving report will not be issued to the department. An invoice is still needed to process a direct payment.

Document Definitions

- **Requisition:** A document used to request and authorize purchase of goods and services or request payment of invoices for goods and services.
- **Purchase Order:** A legal document created by Purchasing and sent to a vendor to request a product or service in return for payment.
- **Receiving Report:** The receiving report is the documentation from the University department of what goods and services have actually been received on a particular purchase order. This documentation serves as the authorization for payment of goods or services.
- **Invoice:** A document sent by a vendor/seller to a purchaser giving details of goods or services sold, their price and the term of payment. Invoices should be mailed directly to Accounts Payable, MC106. If you utilize a local vendor, they will often hand you their invoice. Please deliver the invoice to Accounts Payable, MC106.

***Accounts Payable is unable to process payment to a vendor until we have an invoice from the vendor and a receiving report from the department unless negative receiving applies (discussed on page 5).

Negative Receiving

In an effort to speed up payment processing and save time for departments, receiving reports are not needed for certain orders.

Orders that are not being paid from grant funds or being charged to a 73xxx account (equipment/capital expenditure) and invoices less than \$1,000 that match the terms of the purchase order will be paid, without a receiving report from the department, upon receipt of the vendor invoice unless Accounts Payable is advised by the department not to pay. This applies to both University and Foundation purchase order payments.

If a receiving report states “Department Note: Negative Receiving Applies,” no action is needed by the department unless contacted by Accounts Payable. If a receiving report does not state “Department Note: Negative Receiving Applies,” the department needs to submit receiving information to Accounts Payable by e-mail to procurement@truman.edu or lthrash@truman.edu or campus mail to MC106 before payment can be issued.

The negative receiving process will not be used for the following, so a receiving report needs to be submitted for these items:

- Invoices of \$1,000 or more.
- Expenses charged to an equipment/capital expenditure account, excluding 73201 (Library Acquisitions). Equipment/capital expenditures start with 73xxx. Equipment/capital expenses will still require receiving information be e-mailed/campus mailed by the department to Accounts Payable.
- Expenses charged to external grant funds (ex. NSF, MFH, DOE, etc) will still require the department to submit receiving information. These are expenses with a fund number that begins with 2. Grant funded expenses will still require receiving information be e-mailed/campus mailed by the department to Accounts Payable.
- If an invoice exceeds 20%, or over \$500, of the initially approved purchase order amount, then, regardless of funding source, receiving information will need to be e-mailed/campus mailed by the department to Accounts Payable and Purchasing will have to do a change order.

P-Card Process

- Department obtains a procurement credit card from the business office, typically for the department's secretary.
- The secretary can use their card to make allowable purchases by calling the vendor, placing an order online, or going to the store. **This bypasses the need for a requisition, purchase order, and receiving report.**
- Twice a month, the cardholder goes to an online website, created by VISA, and inputs the accounting information to identify where the expense should be charged. Bi-monthly p-card expenses are uploaded into the University's financial system.
- The cardholder submits copies of their monthly statement, receipts (with a business purpose), and a cover sheet signed by themselves and the department chair, indicating these charges are correct.

Accounting String Info

The four accounting elements of the University's Chart of Accounts:

- **Fund** – the 4 to 6-digit code representing funding source-this number will typically be **1110**; grant funds begin with the number 2
- **Organization** – 6-digit department code
- **Account** – 5-digit code depicting nature of the transaction (expense or revenue)
- **Program** – 2-digit code representing functional area (e.g. instruction, research, etc.) -this number will typically be **11** (instruction); this code is important for state reporting.

RECEIVED

AUG 17 2011

PURCHASE ORDER NO. P0031711

This purchase order number must appear on all invoices, packages, lading and correspondence.

P0031711 Dell Marketing LP



Invoice to:

TRUMAN STATE UNIVERSITY
BUSINESS OFFICE
ACCOUNTS PAYABLE
McCLAIN HALL 105
100 EAST NORMAL
KIRKSVILLE, MO 63501

CONDITIONS OF PURCHASE:

Date: 07/19/11

Seller:

Dell Marketing LP
1 Dell Way
Round Rock TX 78682-7000

1. In accepting this order, Seller acknowledges and agrees to abide by the Conditions of Purchase set forth here and as set forth in further detail on the University's website <http://businessoffice.truman.edu/purchasing>. All of the Conditions of Purchase cited both here and on the website constitute important parts of Seller's Agreement with the University and may materially affect Seller's rights and obligations with respect to Seller's transaction with the University. Seller should review the Conditions of Purchase and be sure Seller understands their rights and obligations before accepting this purchase order. Consult with Seller's attorney if Seller has any questions. If Seller does not have web access, contact the University's Purchasing Office, 660.785.4159, for a printed copy of the information.

Ship To: **Truman State University**
IT Services
100 East Normal
Kirksville, MO 63501

ONLINE ORDER

2. Invoices must be mailed to Truman State University, Accounts Payable, McClain Hall 105, 100 East Normal, Kirksville, MO 63501, on day of shipment. Please direct inquiries concerning invoices to 660.785.4458.

DELIVER BY: 08/12/11

DELIVERY: 8 a.m. - 3 p.m. Mon.-Fri. 24 hour notice for large deliveries is recommended. Please call 660.785.4200 to make arrangements.

3. FOB Destination. Prices shall include all packing, handling and shipping charges FOB destination, freight prepaid and allowed unless otherwise specified herein.

4. Cash Discount. % 10th end of month or net 30 days unless otherwise stated on Seller invoice.

Quantity	Description	Unit Price	Total
1 EA	CE1000 Truman State Standard Notebook Latitude E6520	1,198.66	1,198.66
2 EA	430-3113 Simple E-Port Replicator	87.09	174.18
2 EA	P170S4Y Prof P170S 17" Flat Panel Monitor per eQuote 1004373299610 University Of Missouri Contract No. Q043003 Reference Contract Code: 70727 Delivery Time ARO: 30 Days FOB: Destination	173.28	346.56
		PO Total	CONTINUED
Reqn #:	R3019210	RECEIVING REPORT CERTIFICATION TO THE BUSINESS OFFICE I hereby certify that all checked items and quantities have been received in good condition and recommend payment. <u>Authorized Signature</u> <u>Date Received</u>	

NOTE TO SELLER: The University is a tax-exempt public educational institution.

Seller: Please send acknowledgement of this order, and address all inquiries concerning this order, to the Purchasing Department, McClain Hall 106, Truman State University, Kirksville, MO 63501. Telephone No. 660.785.4159. FAX No. 660.785.7337
BUYER: Lori Davenport

TRUMAN STATE UNIVERSITY

Kim Murphy 7/19/11
Purchasing Officer

SELLER COPY

Blanket Purchase Order

- Estimate your department's expenses to vendors you frequently use and complete one requisition for each vendor.
- Purchasing will issue one PO to use with that vendor throughout the academic year.
- Each time a person wants to use the PO, make a copy of the original for them to take to the store.
- An itemized receipt needs to be brought back to the person holding the original PO (i.e. departmental secretary).
- The PO number should be written at the top of the receipt, signed, and sent to accounts payable, attn: Laura Thrasher.
- If the amount of the PO needs to be increased or decreased just send an e-mail to purchasing and they can do a change order (increase or decrease the amount of the PO)

Bid Procedure

- Orders less than \$5,000
- Orders more than \$5,000 but less than \$25,000
- Orders greater than or equal to \$25,000


Forms & Policies

- **Business office forms may be found at:**
<http://businessoffice.truman.edu/forms/>
- **Travel expense information may be found at:**
<http://businessoffice.truman.edu/ap/p&p/new%20travel.asp>
- **On-line requisition/budget transfer instructions:**
<http://businessoffice.truman.edu/ap/Training/TruView%20on-line%20req,%20budget%20transfer,%20and%20approval%20instructions.pdf>
- **Viewing University budget instructions:**
<http://businessoffice.truman.edu/ap/Training/Viewing%20Your%20Budget%20thru%20TruView-Instructions%20May%202008.pdf>


Understanding Accounts


- **All accounts beginning with a 6 are salary expense accounts, which show money being spent**
- **All accounts beginning with a 7 are operation expense accounts (supplies, equipment, travel, etc.), which show money being spent**
- **All accounts beginning with a 5 are revenue accounts**

TruView Budget Example

Address  http://truview.truman.edu/cp/render.UserLayoutRootNode.uP?uP_tparam=utf&utf=%2Fcp%2Fip%2Ffc

TRUView • TRUMAN STATE UNIVERSITY • • •

 back to **Employee Tab**

 You may select a Fiscal Period and Year to compare to the required Fiscal Period corresponding comparison fiscal period.

Fiscal year:	2008 ▾	Fiscal period:	14 ▾
Comparison Fiscal year:	None ▾	Comparison Fiscal period:	None ▾
Commitment Type:	All ▾		
Chart of Accounts	1	Index	
Fund	1110	Activity	
Organization	225501	Location	
Grant		Fund Type	
Account		Account Type	
Program			


Include Revenue Accounts

Save Query as:

Shared

Submit Query

Balancing Budget

 You may add "user calculated columns" to a query. You may add, subtract, multiply, divide, or get a percent of (variance) any two Operating Ledger Columns, name the columns, and choose where they should be displayed. These columns may be removed, saved, or added from a query or template at any time.

Report Parameters

Organization Budget Status Report			
By Organization			
Period Ending Jun 30, 2008			
As of Jul 29, 2007			
Chart of Accounts	1 Truman State University	Commitment Type	All
Fund	1110 Unrestricted E & G	Program	All
Organization	225501 Military Science	Activity	All
Account	All	Location	All

Query Results

Organization	Organization Title	FY08/PD14 Accounted Budget	FY08/PD14 Year to Date	FY08/PD14 Encumbrances	FY08/PD14 Reservations	FY08/PD14 Available Balance
225501	Military Science	35,159.40	3,492.00	570.00	0.00	31,097.40
225501	Rollup	35,159.40	3,492.00	570.00	0.00	31,097.40

Available Balance = Accounted Budget - Year to Date Activity - Encumbrances - Reservations = Available Balance

$$\text{\$35,159.40} - \text{\$3,492} - \text{\$570} = \text{\$31,097.40}$$

This is the available balance for the entire department; it includes salaries and operations expenses

Budget Definitions

- **Accounted Balance:** Amount designated to a department to cover its expenditures. Expenses cannot exceed the accounted balance.
- **Year to Date Activity:** Expenses spent during the fiscal year; this amount decreases the available balance.
- **Encumbrance/Reservation:** Commitment of funds in the accounting system prior to actual payment; this helps to prevent overspending by decreasing the available balance.

Report Parameters

Organization Budget Status Report			
By Account Type			
Period Ending Jun 30, 2008			
As of Jul 29, 2007			
Chart of Accounts	1 Truman State University	Commitment Type	All
Fund	1110 Unrestricted E & G	Program	All
Organization	225501 Military Science	Activity	All
Account	All	Location	All

Available Balance = Accounted Budget - Year to Date Activity - Encumbrances - Reservations = Available Balance

$$\$21,709 - \$0 - \$570 - \$0 = \$21,139$$

This is the available balance of all operations account categories

Query Results

Account Type	Account Type Title	FY08/PD14 Accounted Budget	FY08/PD14 Year to Date	FY08/PD14 Encumbrances	FY08/PD14 Reservations	FY08/PD14 Available Balance
50	Revenue					
60	Salaries and Fringes	13,450.40	3,492.00		0.00	9,958.40
70	Operations	21,709.00	0.00	570.00	0.00	21,139.00
80	Transfers					
225501 Rollup		35,159.40	3,492.00	570.00	0.00	31,097.40

Report Parameters

Organization Budget Status Report			
By Account Type			
Period Ending Jun 30, 2008			
As of Jul 29, 2007			
Chart of Accounts	1 Truman State University	Commitment Type	All
Fund	1110 Unrestricted E & G	Program	All
Organization	225501 Military Science	Activity	All
Account	All	Location	All

Query Results

Account Type	Account Type Title	FY08/PD14 Accounted Budget	FY08/PD14 Year to Date	FY08/PD14 Encumbrances	FY08/PD14 Reservations	FY08/PD14 Available Balance
71	Supplies					
72	Other Expense	21,709.00	0.00	95.00	0.00	21,614.00
73	Capital Expenditures					
74	Communications	0.00	0.00	475.00	0.00	(475.00)
75	Depreciation Expense					
77	Travel/Other Operating Expenses					
79	Non-Operating Expense					
70 Rollup		21,709.00	0.00	570.00	0.00	21,139.00

Report Parameters

Organization Budget Status Report			
By Account			
Period Ending Jun 30, 2008			
As of Jul 29, 2007			
Chart of Accounts	1 Truman State University	Commitment Type	All
Fund	1110 Unrestricted E & G	Program	All
Organization	225501 Military Science	Activity	All
Account	All	Location	All
Account Type	72 Other Expense		

Query Results

Account	Account Title	FY08/PD14 Accounted Budget	FY08/PD14 Year to Date	FY08/PD14 Encumbrances	FY08/PD14 Reservations	FY08/PD14 Available Balance
72105	Rentals	0.00	0.00	55.00	0.00	(55.00)
72109	Meals/Banquets/Refreshments	0.00	0.00	40.00	0.00	(40.00)
72144	Purchasing Card Transactions	0.00	0.00	0.00	0.00	0.00
72153	Board Approved Operations	21,709.00	0.00	0.00	0.00	21,709.00
Report Total (of all records)		21,709.00	0.00	95.00	0.00	21,614.00

Report Parameters

Organization Budget Status Detail Report			
Summary Encumbrance Transaction Report			
Period Ending Jun 30, 2008			
As of Jul 29, 2007			
Chart of Accounts:	1 Truman State University	Commitment Type:	All
Fund:	1110 Unrestricted E & G	Program:	All
Organization:	225501 Military Science	Activity:	All
Account:	72109 Meals/Banquets/Refreshments	Location:	All
Fund Type:	All	Account Type:	72 Other Expense

Document List

Transaction Date	Activity Date	Document Code	Vendor/Transaction Description	Amount	Rule Class Code
Jul 26, 2007	Jul 27, 2007	P0020718	Hy-Vee Food & Drug Store	40.00	PORD
Report Total (of all records):				40.00	

Available Budget Balance: (40.00)