1.0 Purpose

A written procedure to process invoice(s) for payment.

2.0 Scope

This procedure will apply to invoices for payment.

3.0 Responsibility for Invoice Processing

The purchasing Staff, herein referred to as "Staff", is responsible to acquire the necessary approvals prior to submitting invoice(s) for payment to Finance. The Account Technician, herein referred to as "AP Staff", shall confirm appropriate approvals are on the invoice(s), verify appropriate account number(s) and confirm available funds prior to processing the invoice for payment.

4.0 Processing Procedure for Invoices

4.1 Original Invoices received via Mail or Hand Delivery

4.1.1 The mail room shall forward all invoices to the Finance Department.

4.1.2 AP Staff shall date stamp the invoices in the upper left hand corner or an area at the top of the invoice where space is allotted.

4.1.3 AP Staff shall write "cc: department" (i.e. Admin) on the bottom left hand corner or an area at the bottom of the invoice where space is allotted.

4.1.4 AP Staff shall copy the original invoice and stamp the copy with the approval stamp in the lower section of the invoice.

4.1.5 AP Staff shall distribute the invoice copy to the appropriate department.

4.1.6 AP Staff shall file the original invoice in the pending invoice filing unit.

4.2 Approved Invoices Submitted to Finance Department

4.2.1 AP Staff shall date stamp the returned approved invoice.

4.2.2 AP Staff shall retrieve the original invoice and "Accounting Copy" of the purchase order (green), if applicable, and staple these documents behind the approved invoice.

- The "Accounting Copy" of the purchase order (green) shall be filled in the invoice filling unit.

- The "Finance Copy" of the purchase order (golden rod) shall be filled numerically in the purchase order binder.

4.2.3   AP Staff shall write the vendor number in the "Vendor #" section on the approval stamp.

4.2.4   AP Staff shall highlight the invoice number.

- Do not highlight the leading zeros

- If using HP 3000, highlight last 6 characters

4.2.5   AP Staff shall verify the invoice has not been previous paid and place a "√" next to the invoice number.

4.2.6   AP Staff shall verify accuracy of invoice amount and confirm the correct amount is written in the approval box.

4.2.6.1   AP Staff shall confirm extension amount by placing a "√" next to the total amount due.

4.2.7   AP Staff shall verify the account number provided in the approval box is correct and there is a budget appropriation.

4.2.8   If invoice is to be applied against an "open" purchase order, confirm the amount does not exceed the open purchase order amount, confirm the account number is listed on the open purchase order, and confirm "OPEN" is written to the right of the PO # field.

4.2.9   If invoice is to be applied against a purchase order, confirm the amount and account number agrees to the purchase order and confirm the purchase order number is written in the PO # field.

4.2.10   If invoice is to be charged against a contract/agreement, record invoice on the contract/agreement logsheet and write "contract" or "agreement" in the PO # field and attach a copy of the contract/agreement logsheet.

4.2.11   If invoice description is not provided above the approval box, complete the description or return invoice copy to department for completion.

4.2.12   File the reviewed approved invoices in the bin marked "Ready for Input".

4.3   Approved Invoices Ready for System Input

4.3.1   AP Staff shall prepare the Warrant Register Batch Invoice log sheet. [See Exhibit A]

4.3.2   AP Staff shall retrieve the invoices in the "Ready for Input" bin and batch no more than 15 invoices.

4.3.3   AP Staff shall prepare and attach a calculator tape on the batch of invoices.

- Add the total amount due as indicated on the invoice

4.3.4   AP Staff shall write the batch number on the calculator tape and record batch information on the Warrant Register Batch Invoices log sheet.

4.3.5   AP Staff shall input the processed invoices into system.

4.3.6   Before accepting the entered invoice, stamp the invoice with the "ENTER" stamp in the lower right hand section of the invoice and fill-in the space with the sequence (voucher) number.

4.3.7   AP Staff shall place the processed batch of invoices in the processed bin.

4.4   Handwrites Ready for System Input

4.4.1   AP Staff shall prepare the Warrant Register Batch Invoice log sheet, if not already prepared. [See Exhibit A]

4.4.2   AP Staff shall batch no more than 15 Handwrites.

4.4.3   AP Staff shall prepare and attach a calculator tape on the Handwrite batch.

4.4.4   AP Staff shall write the batch number on the calculator tape and record batch information on the Warrant Register Batch Invoice log sheet.

4.4.5   AP Staff shall input the Handwrites into system.

4.4.6   Before accepting the entered invoice, stamp the invoice with the "ENTER" stamp in the lower right hand section of the Handwrite and fill-in the space with the sequence (voucher) number.

4.4.7   AP Staff shall place the processed batch of Handwrites in the processed bin.

4.5   Review Invoices Entered into System

4.5.1   AP Staff shall generate the Proof List report for the processed batches. [Run "Print Proof List"]

4.5.2   AP Staff shall review the Proof List report by verifying the vendor, invoice date, invoice number, account number, amount and description

entered is correct and confirm total Proof List agrees to the Warrant Register processing logsheet.

4.5.3   Corrections shall be corrected by the individual who entered the invoice(s).

4.5.4   AP Staff shall re-run the Proof List to confirm corrections were made correctly.

4.6   Prepare Warrants and Warrant Register

4.6.1   After all invoices and Handwrites have been entered and accuracy verified, AP Staff shall generate the Warrant Register Proof List reports for all batches to confirm the total invoices and Handwrites amounts agrees to the Warrant Register logsheet totals. [Run "Warrant Register Proof List"]

- Run "Warrant Register Proof List"

- Run "Pre-merge"

- Run "Merge"

4.6.2   AP Staff shall run "Pre-Merge" for each batch.

4.6.3   AP Staff shall run "Merge" for each batch. System will indicate "okay to run checks".

4.6.4   AP Staff shall print checks by:

- Inform Staff of running checks on printer

- Run "Prepare Warrant for Printing"

- Select "Copy of Warrants" icon on the desktop

- Select "Initialize"

- Select "Check #"

- Enter beginning check number

- Enter Warrant Register date and select Laserjet 4100 Finance printer

- Insert blank checks in printer

- Select "Print"

- Confirm preprinted check number ties to printed check number on checks

- Select "Create PDF File" and save file

- Select "Upload"

4.6.5   AP Staff shall print the copy of checks to attach to invoices (not applicable to handwrites)

- Go to G:\Programs\Warrants and print "warrant.pdf" file

4.6.6   AP Staff shall generate and print the Warrant Register

- Run "Print Final Warrant Register"

- Enter Warrant Register date

- Run "Pre-merge"

- Run "Final Merge"

- Hit F1 to run "Final Merge Bi-weekly Warrants"

4.6.7   AP Staff shall staple check copy to invoices

- AP Staff shall set aside checks that are requested to be "return to department" for mailing

- AP Staff shall place remittance advice(s) and check in a window envelope for mailing

4.6.8   AP Staff shall copy the check voucher for all advances and give to Accounts Receivable Account Technician.

4.6.9   AP Staff shall write the warrant register number on the final warrant register

- Warrant register number + A = Regular warrants

- Warrant register number + B = Prepaid (Handwrites)

- Warrant register number is sequential

4.6.10   AP Staff shall place Warrant Register checks in the safe until Warrant Register is approved by City Council.

4.6.11   AP Staff shall stamp "certification" to last page of Final Warrant Register and acquire Finance Director's signature.

4.6.12 AP Staff shall file original signed warrant register and Prepaid (Handwrite) logsheet in Warrant Register Binder.

4.6.13 AP Staff shall submit a copy of the original signed warrant register to Print Shop requesting 36 copies of the warrant register for distribution.

4.6.14 AP Staff shall distribute copies of the warrant register and email the "PDF" version to Staff. [See Exhibit B]

4.6.15 AP Staff shall run "Independent Contractors Report"

- Purchasing System
- Select "ICR" (Independent Contractors Report)
- Run "Update ICR"
- Hit "F1" to update ICR
- Select "Print Independent Proof List"
- Hit "F1" to print Independent Proof List
- File Independent Contractors Report

4.6.15 The day after City Council approves the warrant register, AP Staff shall fold checks and give to Assistant Finance Director for review.

4.6.16 Assistant Finance Director shall return checks to AP Staff who will give checks to Print Shop for sealing and mailing.

EXHIBIT A

City of Commerce
WARRANT REGISTER BATCH INVOICES LOG SHEET

Warrant Register #: _____   W/R Date: _____   W/R Date: _____

DATE	BATCH #	BATCH TYPE	SEQUENCE # (BEGIN)	SEQUENCE # (END)	USER	AMOUNT (REG)	AMOUNT (HAND)	PROOF LIST	MERGE

TOTAL BATCHES $** _____   **$ _____

Revision Date: 1/9/2008 12:02:25 PM

EXHIBIT B

Warrant Register Distribution

City Clerk (12 copies)

Parks and Recreation (6 copies)

Community Development (2 copies)

Human Resources (2 copies)

Public Information

Transportation

Community Services

North Annex

Library (2 copies)

Trade

Finance (7 copies: Vilko, Karen, Ted, Ato, Loan, Terri, Donna)