

Accounts Payable Procedures

July 21, 2008

Accounts Payable Procedures

Purchasing procedures must be followed when purchasing any goods or services.

A properly completed purchase order must be issued through the AS400 prior to ordering any goods or services via the Purchasing program.

Account Codes

All expenditures must be assigned to a proper account code.

Effective FY2009, the components of the account code include:

Fund, Fiscal Year, Program, Function, Object, Location and Department Code.

Example:

100-9-1450-2210-61000-8002-000002

Account Codes – Central Office Departments

All General Fund expenditures made by Central Office departments must include a Department Code.

The Department Code should be included on all General Fund expenditures (Fund 100) whether the purchase is made via a system Purchase Order, Warehouse Order, Purchasing Card, Employee Expense Statement, Payroll (i.e. timesheets, additional pay) or Independent Contractor Agreement.

Account Codes – Central Office Departments

Proper use of the new Department Codes will enable Central Office departments to trace all expenditures for which the departments have budgeted and are responsible, including items purchased by CO departments for schools.

Account Codes – Central Office Departments

The following is an example of a Central Office purchase for a school.

Special Education supplies purchased by the Student Services Department for Eagle Springs Elementary:

100-9-2041-1000-61000-0100-000003

Account Codes - Schools

Purchases made by Schools from School Allotment funds, School Activity funds, grant funds, etc., do not require a Department Code. Zeros will automatically be entered in the Department Code field.

Example:

100-9-1011-1000-61001-0100-000000

Account Codes

General operating expenditures, including School Allotment expenditures, are charged to fund 100 and the various QBE programs.

Specific Fund and Program codes are assigned to grant expenditures. Contact the HCBOE program director for proper fund and program codes.

Function and Object codes can be used with any fund and program code.

Function Codes

Function 1000 – INSTRUCTION

Instruction includes activities dealing directly with the interaction between teachers and students.

Instructional expenditures cannot be charged to a Central Office location code.

Function Codes

Function 2100 – PUPIL SERVICES

Activities designed to assess and improve the well-being of students and to supplement the teaching process, such as guidance, counseling, testing, attendance, social work, health services, etc.

Function 2210 – IMPROVEMENT OF INSTRUCTIONAL SERVICES

Activities which are designed primarily for assisting instructional staff in planning, developing and evaluating the process of providing challenging learning experiences for students, including professional development.

Function Codes

Function 2220 – EDUCATIONAL MEDIA SERVICES

Activities concerned with directing, managing and operating educational media centers.

Function 2400 – SCHOOL ADMINISTRATION

Activities concerned with overall administrative responsibility for school operations.

Function Codes

Function 2600 - MAINTENANCE AND OPERATION OF
PLANT SERVICES

Function 2700 - STUDENT TRANSPORTATION
SERVICES

Function 2800 – CENTRAL SUPPORT SERVICES
Central Office activities other than general
administration and business services.

Changes in Object Codes

The definition of equipment and computers has been changed to \$5,000 per unit cost. These items are charged to objects 730 and 734.

Expendable equipment and computers are items which cost less than \$5,000 per unit and should be charged to objects 615 and 616.

Changes in Object Codes

Admission fees for PreKindergarten trips previously charged to object 890 should now be charged to object 810 (dues and fees).

New Object Codes

New object codes have been added for expenses previously charged as Other Expenditures (object 890):

- | | |
|-----|--|
| 511 | Student Transportation Purchased from another LUA |
| 519 | Student Transportation Purchased from Other Sources (i.e. parent transport for NCLB, etc.) |

State Chart of Accounts

Refer to the State Chart of Accounts for additional account code information at:

http://public.doe.k12.ga.us/fbo_financial.aspx?PageReq=FBOFinRevCOAB

A link to this website is available on the HCBOE website under Finance.

Payments to Employees

All compensation payments to system employees must be charged to a salary object code, which range from object codes 110 through 199.

These expenses are processed for payment by Payroll. Payments to employees as Independent Contractors must be processed through the Office of Professional Learning.

Payments to Vendors

Payments to vendors and consultants who are not HCBOE employees are charged to object codes 300 through 810.

These payments are processed through Accounts Payable. Payments to vendors and outside consultants as Independent Contractors must be processed through the Office of Professional Learning.

Processing Receipt of Goods and Services

Orders must be verified by comparing actual items received to the packing slip.

Only items *actually received* should be receipted into the AS400 purchasing system. Items should be receipted within two business days of delivery.

Processing Receipt of Goods and Services

DISCREPANCIES must be reported to the vendor immediately, and Accounts Payable notified in writing of the discrepancy.

RETURNS, CANCELLATIONS, and CHANGES must be reported, in writing, immediately to Purchasing and Accounts Payable. Supporting documentation for returns must be forwarded to Accounts Payable.

Processing of Invoices

ALL invoices to be paid from system funds should be addressed to:

Houston Co. BOE
P.O. Box 1850
Perry, GA 31069

Invoices included in orders must be forwarded to Accounts Payable *immediately*.

Financial Inquiries

Options on the Financial Inquiry menu may be used to review financial expenditures:

- Opt. 1 Inquiry by Account Number
- Opt. 2 Inquiry by Vendor
- Opt. 9 Inquiry by P.O. Number

Financial Reports

Reports are available on the Financial Inquiry menu to assist the schools/departments in reviewing outstanding purchase orders and invoices.

These reports should be reviewed regularly and discrepancies reported to Purchasing and/or Accounts Payable.

Ramifications of Delinquent Accounts

Vendors may place accounts on hold and refuse future orders.

Accounts may be referred to collection services, and our credit rating adversely affected.

Our bond rating may be lowered, resulting in higher interest rates for our SPLOST projects, and restricting the future growth of our system.

HCBOE Credit Rating

Houston County Schools has maintained a good credit rating through FY2008, which will help to ensure desirable funding for the future growth of our school system.

Please help us maintain our good financial standing.

Accounts Payable Contacts

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Travel Procedures

All travel reimbursement requests must be submitted on a HCBOE Employee Expense Statement in a timely manner, within the fiscal year in which the expenses are incurred.

Employee Expense Statements must be approved and signed by the employee's principal/administrator prior to submission for reimbursement.

Travel Procedures

Professional leave must be approved prior to incurring travel expenses for professional activities.

Do not include travel expenses charged to a HCBOE purchasing card on the Employee Expense Statement.

Processing of Travel

Travel expenses to be reimbursed from grant funds must be submitted to the HCBOE program director for approval.

Travel expenses to be reimbursed from System or School Allotment funds can be submitted directly to the Business Office for processing.

Travel Regulations

In general, Statewide Travel Regulations will be applied to employee travel reimbursements, which may be accessed at the following website:

http://sao.georgia.gov/00/channel_createdate/0,2095,39779022_65773523,00.html

A link to the State Travel Regulations is available on the HCBOE website under Finance.

Travel Regulations

The Georgia State Accounting Office is responsible for establishing the State Travel Regulations.

Employees will be notified by the HCBOE Business Office when changes have been made to the State Travel Regulations.

Travel Regulations

The current mileage reimbursement rate is \$.505 per mile.

In-state meal allowance is \$28 per day:

Breakfast	\$6
Lunch	\$7
Dinner	\$15

High Cost Area meal allowance is \$36 per day:

Breakfast	\$7
Lunch	\$9
Dinner	\$20

Travel Regulations

Federal per diem rates will be used for reimbursement of out-of-state meals.

Personal meals cannot be charged to a HCBOE purchasing card.

Travel Regulations

Employees will be reimbursed for reasonable lodging expenses.

Tax exemption forms should be presented when registering at hotels/motels in the State of GA:

Excise Tax Exemption is applicable to all lodging for system employees at Georgia hotels/motels.

Sales Tax Exemption is applicable to lodging paid directly by the system or school to a hotel/motel in the State of GA.

Travel Regulations

Certain funding sources may present limits on travel expenditures.

Contact program directors for travel expense limitations.

Travel Forms

The following forms are available on the HCBOE website under Finance:

Travel Expense Form

Hotel-Motel Excise Tax Exemption Form

State of GA Sales Tax Exemption Form

Travel Contacts

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Questions and Answers