



Accounting Office

Accounting Policies and Procedures

Requisition, Purchasing, & Accounts Payable (RPA) Management Policies

- A. Each department head and each Vice President must duly authorize each purchase that is:
 - within the guidelines of our University's mission and Departmental plan
 - within the available funds budgeted
 - reasonable and necessary
- B. Each department head is responsible for supervision of departmental funds. He/She will be accountable for any delegation of approval.
- C. Approval of expenditures is as follows: the Department Head, Vice President, Controller, V.P. of Finance (in excess of \$7,500), President (in excess of \$10,000). **Authorization of all expenditures must be given by the Controller before any purchase.**
- D. Approved Purchased Orders will be process for payment by Accounts Payable when merchandise and invoice are received.
- E. Unapproved purchase is requisitioned and paid when authorized by Controller.
- F. Payment request to small businesses, independent contractors/self-employed workers not on the Oakwood University payroll must include a completed W-9 form for vendor identification and for IRS 1099 Form specification.
- G. Advance payments are cash disbursements that will only be made for travel, construction contractors or vendors who do not accept O.C. purchase orders; authorization from the Controller.
- H. Petty Cash allotment is \$100.00 per department.
- I. Any purchase that is \$5,000 or more must attach three (3) bids (including the one requisitioned) to the Request for Purchase Order (RP) and sent to Distribution for the Controller Approval.
- J. Any Renovations or Maintenance projects costing \$2,500 or more must be inspected by Physical Plant Department (approved personnel) before submitting request for the Final payment. (Attach Physical Plant Authorization Form to the requisition.)

RPA Procedures

REQUISITIONS

1. Requisitions are on-line. In order to create a requisition the requisitioner (department designee) must have a username and password to system. (Training is necessary for proper entry.) Department Head must complete EX Accounting Form to assign requisitioner. If you are not a designee, submit your request to your department head for approval and processing.
2. Identify type of Requisition and type PO, RI, CK or TRAV in Requisition Text:
 - a. Requisition for Purchase Order (PO) – Select for processing P. O.’s
Note: Purchase Order system is the original and preferred method for purchasing.
 - b. Requisition for Invoice (RI) –Select if an invoice is attached as supporting documentation. The invoice was not derived from a Purchase Order (PO). Do not include quotations!
Note: Invoices unapproved or unauthorized (before purchases) is considered personal purchases and may be denied for approval. Do not create debt for the university without (Controller’s) authorization.
 - c. Requisition for Check (CK) or (TRAV for Travel) –Select for campus leave advance, reimbursements, contract services or cash advance for payment to companies that do not accept O. C.’s Purchase orders.
3. **Supporting Documentation must be attached electronically to the requisition:** invoices, receipts used or reimbursement must be original for payment to be made. Original supporting documentation should be kept and filed in the requisitioning department.
4. **Requisition Approval is on-line. The Approver will select the requisition to review: budget availability (allocable), items purchasing (allowable), cost (reasonable), vendor (reliable) and attached supporting documentation (verifiable).**
5. **Invoices without payment or Purchase order must be process for a requisition from invoice (RI) by the department.** Within the requisition, for the **Requisition Text** type “RI IV#1234567” (1234567=invoice number). The invoices are unapproved and purchasing approval is required. **Note: Process orders correctly using Purchase Order.**
6. The submitted requisition will be sent electronically for approval to your Department Head, your V. P., Controller, and Accounting then submitted for a Purchase Order (Purchasing) and then a check (Accounting), respectively. **Requisitions approved by the Vice President on Monday or Wednesday by 12:00 noon will be process for pick-up Wednesday or Friday morning at 10:00 a.m., respectfully.** View the “Check Requisition Status” on EX menu to identify where the requisition is located.
7. All requisitions for approval having an amount totaling \$7,500 or over have additional approval: \$7,500 and more the V. P. of Finance; \$10,000 or more the President.
8. **Requisition from invoice or for check will be processed for check writing.** All checks created from invoice (**RI**) **will be mailed to vendors.** Only checks for a requisition for check (RK) or (exceptional) payments will be distributed from Accounting Distribution Center.
9. **Advance Payments**
Checks advanced receipts or invoices should be attached to the completed Advance form and returned to Accounting Distribution within 5 business days of the received check date or the department’s budget or check processing may be place on hold until satisfied.

10. Travel Expense Reports

Check advance for travel should be returned, with receipts or invoices attached to the Travel Expense Report, to Accounting Distribution within 5-7 business days after completion of Trip or the department's budget or check processing may be place on hold until satisfied.

11. All requisitions for computer purchases or repairs must have Technology approval before creating the requisition. Attach quote with Technology signature of approval to requisition.

12. Process capital purchases using the Plant Fund (06-Fund) account number. Contact Controller for assistance with account number.

13. Plan wisely and submit your requisitions in a timely manner⁷⁴⁸ in order to avoid emergencies. Contact Accounting Distribution for assistance.

PURCHASING

14. Departments are able to print the Purchase Order within 24-hrs of requisition approval. Departments will notify vendor and fax or scan order to the vendor for processing.

15. New Vendor

Vendor list is defaulted by requisition system. If a vendor is not listed, each company, individual contractor, or self-employed vendor must complete a W-9 form. Drop-off completed form at Accounting Distribution for approval and input. **We will use vendors who accept Oakwood University Purchase Orders or who extends a Letter of Credit for 30 or more days and who are reputable.**

16. Pro forma invoices (payment due on demand) **are used to established or reestablish credit with a vendor.** If credit has not been established, consider another vendor.

SHIPPING AND RECEIVING ITEMS

17. Goods are delivered to shipping and receiving. Shipping and receiving will deliver merchandise to the department. Each department will enter the merchandise received on EX, selecting Receiving Goods on the menu. Promptly, forward all packing slips (original) found outside or inside boxes to Accounting – Accounts Payable. **Verification of receiving is vital for payment to be made to vendors.**

ACCOUNTS PAYABLE

18. All invoices will be addressed to accounts payable for payment if the requisition was processed for a Purchase Order. Otherwise, invoices that are unapproved or unauthorized are considered personal purchases and therefore returned to department for handling: Do not obligate the university funds to purchases without proper approval.

19. Vendors should not be given a purchase order number or any other number over the telephone; under any circumstance.

Do not call-in orders, prior approval and authorization is needed.

Do not add items after approval of purchase order; create another purchase order.

Any purchases not on original purchase order will not be process for payment.

20. To **void the check** received, create memo requesting to void check, indicate if another check needs to be created and include department head signature. If there are any changes on the check, the V. P. signature is needed on memo if over \$1,000.00. Request a **stop-payment** for the check if lost or stolen. Create a memo requesting a stop-payment, indicate if another check needs to be created and include department head signature. There is a \$25.00 stop-payment fee charged to the department or customer responsible for the check. **Checks that have been available and not picked up within ten (10) business days from Accounting Distribution are mailed.**

21. **Independent contractors**/self-employed workers not on the Oakwood College payroll must complete a W-9 form for IRS 1099s.

22. **Honorariums/stipends** received by employees are forwarded to payroll for check process (use Personnel Requisition). Honorariums for non-employees must complete a W-9 form and process as a requisition for a check (RK)
23. A second requisition for payment of an invoice derived from a purchase order should not be submitted in the EX system. Notify the accounts payable department for any payment discrepancies.