



# ACCOUNTS PAYABLE OVERVIEW

April 2024

# Discussion Topics

- Roles and Responsibilities
- The Basics
- Teacher Fee Allocation Cards
- Travel Reimbursement
- Travel/Department Cards

# Roles and Responsibilities



# Roles and Responsibilities

- Responsible for accurate and timely expenditures processing for all payments of the Board.
- Provides customer service to vendors. Most times this is the first and only time that the vendor will have contact with the Board
- Information provided by the accounts payable department is crucial to the CSFO and auditors.
- Inaccurate information can lead to:
  - Audit findings
  - Inability to reconcile bank accounts and budgeted items
  - Errors in budgeting for current and future years
  - Vendors no longer willing to do business with the Board
- Accurate information from the accounts payable department is vital to insure that funds are properly budgeted based on amounts and codes. It is also used to study trends in expenses

# Roles and Responsibilities

- Maintain a set time of the month when bills are paid. This will allow vendors and employees to know the cut-off dates to be paid. Examples are:
  - Bills and invoices received by the first of the month are paid on the 10<sup>th</sup> of each month
  - Travel reimbursements on the 12<sup>th</sup> of each month
  - Construction invoices paid on the 15<sup>th</sup> of each month
  - Bill and Invoices received later in the month paid on the 25<sup>th</sup> of each month
- Plan for Thanksgiving, Christmas and Spring breaks and communicate with vendors and employees of the changes
- Payments must be paid timely to avoid interest charges and late fees

# Roles and Responsibilities

- Duties should be divided to create a checks and balances in the accounts payable.
  - Only one person should be authorized to create vendors or change vendor information from a submitted W9. W9s are required from all vendors and must be maintained for review
  - Check runs must be approved by the CSFO or designated representative.
  - Funds must be moved by authorized personnel for banking purposes in ensure funds are available for payment
- Vendors must be reviewed periodically to check for addresses, ownership, if classified as a 1099 vendor, and/or is still active.
- Be aware of any personnel changes in leadership at the school and Central Office level to know who is authorized to approve payments. Also to be mindful of spam emails that request a payment

# The Basics



# The Basics

- Prior approvals include
  - Numbered Purchase Order
    - Can be a typed form established by the Central Office
    - Purchase order generated through NextGen (I recommend the Requisition program by Harris)
  - Contract approved by the Board
  - Travel Reimbursement
  - Purchasing card invoices
  - Utility Bills



# The Basics

- Avoid petty cash if possible. (Reimbursements less sales tax can be made through travel funds)
- Purchase orders must be verified prior to payment to include:
  - Vendor matches name on PO
  - Invoice matches items ordered
  - Invoice amount matches PO
  - Detail of items or services received
  - Items or services matches code on PO

# The Basics

- Purchase Orders used for:
  - Approval process prior to the purchase of goods or services.
  - Communicate the order to the vendor.
  - Establish a contract with a vendor.
  - Encumber the amount of the purchase against a budget.
  - Track receipt of goods and services.
  - Provide information for accounts payable when auditing invoices.
  - Accumulate expenditure/payment information.
- Payments must be made from the original invoice that is dated after the Purchase Order.

# The Basics

- All payments must have an authorization to pay (ATP) from the school or department receiving the materials or service.  
Example of ATPs are
  - Verified Emails
  - Signed Invoices
  - Form created by the AP Dept.
- Not allowed to prepay for materials or services.
- Payments can only be made with prior approval.
- Cannot split an invoice between multiple purchase orders or school funds and Central Office funds.

# The Basics

- Payments must be made with a check (can be virtual or ACH)
  - Must be issued in numerical order (Maintain log with check numbers)
  - Checks must be secured at all times
  - All voided checks must be retained for audit purposes
  - Investigate checks that are 60 days or older
- Payments must be maintained by check number to include
  - Copy of check
  - PO
  - Original Invoice
  - ATP

# Requisitions Option in NextGen

- Can tie requisition request to actual budgeted amount to avoid over spending.
- Multiple user approval option available to include various directors
- Allows for attachments for multiple quotes and review the actual order
- Faster process for approval

# Requirement for Quotes and/or Bids

- If expenditure of funds for the purchase or lease of material, equipment, supplies, or other personal property for \$40,000 or more, the law requires a contractual agreement entered into by a free and open competitive, on sealed bids, to the lowest responsible bidder. (Section 16-13B-1)
  - Bid Exemptions include utility services, purchase of insurance, and professional services. The complete list can be found in Section 16-13B-2
  - Allowed to use an approved purchasing cooperative for funds other than Federal funds (Section 16-13B-2(a)(13))
- When using Federal funds for purchases less than \$40,000, two quotes are required.
- We require two written quotes on all purchases unless the company is a member of an approved cooperative on all requisitions less than \$40,000 for State and local funds.

The purpose of this bid opening is to gather information so the Superintendent can make a recommendation to the Board of Education so they can award the bid to the lowest responsible and responsive bidder. The Board of Education and only the Board of Education can award a bid.

# Teacher Fee Allocation Cards





# Teacher Fee Allocation Cards

- Have principal or assistant principal sign for the receipt of their school's teacher allocation cards.
- Issued to each teacher individually
- Not allowed to make internet purchases
- Limit use to authorized stores based their Merchant Category Code (MCC).
- Codes provided to LSA bookkeepers for reconciliation.
- Certified personnel sign that they have received the card and will abide by the rules listed on the forms

TUSCALOOSA COUNTY BOARD OF EDUCATION  
EMPLOYEES' AGREEMENT FOR USE OF PURCHASING CARDS

The Tuscaloosa County Board of Education (TCBOE) requires all employees, using the card, to sign an agreement regulating the use of said purchasing card.

1. The cardholder agrees to use the card exclusively for classroom instructional support used either by classroom teachers or students in each teacher's classes.
2. The cardholder agrees to reimburse the TCBOE for purchases that are determined to be unallowable expenditures or to obtain other funds for the expenditure.
3. The cardholder agrees to obtain a legible receipt with an itemized listing for each purchase made with the card.
4. The cardholder agrees to reimburse the TCBOE for purchases made with the card, which are not supported by a receipt with an itemized listing.
5. The cardholder agrees to inform merchants that purchases with the card are exempt from Alabama sales tax.
6. The cardholder agrees to reimburse the TCBOE for Alabama sales tax charged to the card.
7. The cardholder agrees to reimburse the TCBOE for purchases made in excess of the individual purchase limit or to obtain other funds for the excess expenditures.
8. The cardholder agrees to adhere to the TCBOE guidelines for purchasing cards.
9. The cardholder understands that purchasing card privileges may be suspended upon failure of the cardholder to follow the terms of this agreement.
10. **The cardholder understands that anyone using the purchasing card for personal use is subject to criminal prosecution.**
11. The cardholder understands and agrees that they will be required to turn in the purchasing card on or before **Thursday, April 6, 2023**. Individual teacher balances will remain on account and may be expended by using a purchase order.
12. The cardholder acknowledges receipt of State Teacher Instructional Money Do's and Don'ts list of examples for allowable expenditures and unallowable expenditures.

13.

The following categories are blocked from purchase card use:

Cash advances	Long distance telephone calls.
Airlines	Motels
Restaurants	Convenience stores
Gasoline stations	Beverage and Tobacco Stores
Adult Stores	Clothing Stores
Automatic billings	Movie theatres
Food purchases for classroom instruction except in Family and Consumer Sciences classes	

**The TCBOE prohibits the use of the purchasing cards for Internet orders, telephone orders, mail-in orders, lay-away, confirmations, guarantees, and other charges made to the purchasing card prior to receipt of the materials, supplies, equipment or other items purchased. Legal opinions have stated that school boards cannot pay for items that have not been received.**

General information regarding use of the purchasing card:

1. If a card is lost or stolen the cardholder should immediately contact Chris Poole at the Central Office at 342-2781 or [cpoole@tcss.net](mailto:cpoole@tcss.net).
2. The TCBOE contact person for questions about allowable purchases is Danny Higdon at 342-2767 or [dhigdon@tcss.net](mailto:dhigdon@tcss.net). (Allowable expenditures are classroom instructional materials and supplies used either by classroom teachers or students in each teacher's respective classes and instructional equipment and electrical equipment utilized with students in the teacher's classroom.)
3. If card privileges are revoked they may be restored upon approval from the Superintendent.
4. Bid items must be purchased from specific merchants. Contact the Central Office of the TCBOE for information. (Example: copiers, computers, printers, etc.)
5. The deadlines for obtaining copies of missing receipts shall be the first working day of the month. After that the employee is responsible for the outstanding charges.

I certify that I have read the Tuscaloosa County Board of Education Employees' Agreement for Use of Purchasing Cards and hereby agree to abide by the regulations set out therein. My signature on this form acknowledges said agreement and receipt of my Purchasing Card and a copy of the State Teacher Instructional Money Do's and Don'ts example list.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

## State Teacher Instructional Money Do's and Don't's

Funds for Classroom Instructional Purposes only:

To be used only by classroom teachers for instructional materials, supplies, equipment or electrical equipment which is actually utilized with students in the teacher's classroom except funds for common items in the school budget for technology, professional development, and library enhancement.

**Allowable Expenditures include but not limited to:**

- Copy paper
- Staplers
- Paper cutters
- Hole punches
- TV's and media devices used in the classroom (or counselor's office) for instructional purposes, and the stands, carts, and cabinets used to hold and store them
- Computers and peripherals used in the classroom (or counselor's office) for instructional purposes, **if consistent with the technology plan**
- File cabinets
- Plastic storage containers and shelves used to store tests and instructional items in the classroom
- Black-out shades
- Rug for kindergarten classroom
- Refrigerator to store biology and chemistry supplies
- Surge protector/power strip for instructional equipment
- Classroom bulletin board materials
- Classroom banners and posters
- Canned air spray for keyboards
- Batteries for instructional media
- Ink cartridges for classroom printers
- Educational apps
- **Academic** incentive items
- Flash drives
- Ipad Cases/ Covers
- Shredder (OK ONLY for Counselors/ Aps/ Principals)
- Printer
- **The main question to ask when deciding if the purchase is allowable with instructional funds is: Will the item being purchased be used for instruction?**

## Examples of Unallowable Expenditures:

- Field trip costs such as bus rental, food, and admission charges, etc.
- Membership dues to any organization or association
- Extra-curricular activity expenses
- Registration fees and other conference expenses
- Orthopedic teacher's chair
- Student desk
- Fax machine
- **Candy or food**
- Gold Cross pen and pencil set
- Sink
- Tissues and hand sanitizer

# Travel Reimbursement



# Travel Reimbursement

- Must have an approved Professional Leave Form (includes principals and Central Office staff)
- Set a daily limit for food cost (We use \$50 per day)
- Require proof of mileage based off MapQuest
- Only reimburse miles from home or work to destination (we do not reimburse mileage for travel during conferences)
- Do not reimburse for groceries or snacks
- Do not reimburse for gas purchases or for hotel entertainment
- Can start the travel reimbursement form when registering for the hotel





# Travel/Department Cards



# Travel/Department Cards

- At least one travel card is issued to each school. We issue additional cards to the middle and high schools based on size.
- The cards maintain a balance of \$1 until we receive a request to add funds to the card.
- Funds are only added for a certain date range based on the request and after the date it reverts to a \$1 balance

# Travel Card Rules

- Requires CSFO permission
- Cards are limited based on Merchant Category Code (MCC).
- Cards at the Central Office are signed out and in and are issued by department
- All travel rules apply
  - Cannot purchase gas or hotel entertainment
  - Cannot purchase groceries or snacks



# ACCOUNTS PAYABLE OVERVIEW

## April 3, 2024

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