

BUSINESS OFFICE
ACCOUNTS PAYABLE
OPERATING PROCEDURES
FOR DEPARTMENTS

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CHECK REQUESTING PROCEDURES

I. The Disbursement Voucher:

Requests for payments come into the Business Office in various ways. The most common for reimbursements, advances, and payments without invoices is the Disbursement Voucher.

The Disbursement Voucher can be found at the Business Office Website or the link below.

<http://businessoffice.wlu.edu/Forms.htm>

A supply of these forms may also be obtained in the Business Office if you do not have access to a computer to print them off the web. These forms are used when requesting payment of goods without an invoice, paying for goods/services in advance, or reimbursing individuals for out of pocket expenses. The instructions on how to fill out the form is located on the web next to the form link.

Please present the original of this form for payment. Copies may be retained for your records.

II. Advances:

Advances are requested using the Disbursement Voucher. Most of the advances issued are for travel. However, the only difference between the required reporting is that travel advances require a travel expense report (also found on the Business Office web page). All advances require receipts. Why? [Avoiding taxable income under the Accountable Plan: Business expense reimbursement or advance expenditures to employees may be excluded from income if they are made under the “accountable plan.” To qualify as an accountable plan under IRC Section 62\(c\), the University requires employees to substantiate their expenses \(proving date, time, place, amount, and business purpose\) and return any reimbursement amounts in excess of the substantiated expenses. The expenditures will meet the “accountable plan” qualifications by meeting the three requirements of business connection, substantiation, and return of reimbursements.](#)

The Travel Expense Report is intended to reflect a full accounting of the trip taken so that future trips can be properly budgeted. Please note that all reimbursement requests should be accompanied by receipts. Individuals seeking reimbursement for items \$25.00 or above must have a receipt attached to any reimbursement form. Items less than \$25.00 with no receipts must be itemized with amounts and descriptions. Mileage reimbursement for travel is currently set at 0.375 per mile.

If a travel advance is received, this form is due in the Business Office no later than FIVE business days following the return from the trip. An unsubstantiated advance can be considered taxable income according to Internal Revenue Service. [Reg para 1.162-17(b)(1)/Reg para

1.274-5(e)(2)(I)]. A return date or purpose ending date must be noted on all disbursement requests. Outstanding advances are those that have been out for more than five business days. The counting of business days begins with the date following travel return or the reported reason for the advance. An example of the reported reason would be an advance given to purchase supplies or buy an airline ticket. No travel advances will be issued to any person who has any outstanding advances.

Employees are required to submit paper receipts for all expenses over \$25.00 and for all lodging expenditures. Lodging receipts are important for substantiation and is particularly emphasized by the IRC. Items less than \$25.00 with no receipts must be itemized with amounts and descriptions.

Receipts for credit card bills must be attached to the credit card statement. If the receipt is needed for substantiation of a travel report, mark the line on the credit card bill as “TR.”

If per diem rates are used in connection with travel, no receipts are required by the Business Office for those charges related to the per diem rates. However, the disbursement request must have the full information regarding number of days, location of travel, per diem allowance per day, and whether the per diem is for lodging, meals and incidentals, or both. The Business Office uses this information to compare to the federal rate since any per diem reimbursement over the federal rate is taxable income to the individual receiving the advance. You may find the federal

per diem rate at

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC

III. Credit Cards:

It is important that credit card statements be submitted to the Business Office in a timely manner – within five (5) days of receipt. University credit cards have been issued to you in order to make purchasing easier for the department. However, untimely submission of credit card statements could lead to the discontinuation of the credit card privilege.

Credit cards are not to be used for the purchase of furniture or equipment. These purchases must go through the Purchasing Process in order to be properly recorded as fixed assets. University credit cards are also not to be used for the purchase of personal items.

All statements must have approval signatures upon them when they are returned to the Business Office. Approval signatures are signatures of both the cardholder and his/her supervisor or department associate. For example, a department secretary may not sign for a member of the department faculty. Also, insure that credit card statements contain the proper account coding, which is a full 12 digit account number and that the number is valid, i.e. correct fund with unit/balance.

To speed up the posting process, we hope to have you to the point of viewing and downloading the statement from the web. In the meantime, please write the account numbers on the statement,

note which items whose receipt was turned in with a travel report, attached non-travel report receipts, and send in to the Business Office. Also note that federal regulations require us to add the amount of transactions without receipts to your taxable income.

IV. Payment to Individuals (non-Corporate):

A. U.S. Citizens and Resident Aliens – Federal form W-9 is required to be completed and submitted before payment to individuals can be made. A link to the form on the IRS is provided on the Business Office web page.

B. Non-Resident Aliens – **START PAPERWORK AT LEAST 6 TO 12 MONTHS AHEAD OF ARRIVAL.** First go to the International Education web page and locate “Important Information about Inviting Exchange Visitors” under the Faculty section. You must adhere to these procedures before the Business Office will process the IRS forms needed for payment to individuals who are characterized as Non-Resident Aliens, meaning they are not U.S. Citizens. Your visitor must have either a social security number, issued by the Social Security Administration or an ITIN(Individual Tax Identification number), issued by the IRS before payment can be made with the exception of reimbursements. Reimbursements can be made following the same rules as U.S. citizens in that if accompanied by a receipt there will be no taxable income.

Each non-resident must be treated individually and we can not make exceptions to the laws of the United States. Once the INS paperwork is taken care of, please contact the Business Office for the information needed and for an appointment to bring by your visitor prior to their arrival on campus.

V. Invoices:

Statements will not be accepted for payment unless all invoices are attached.

Any goods which have an accompanying invoice do not need to have a disbursement voucher form filled out. Put the 12 digit number and have an authorized signature placed on the invoice. Give the original form to the Business Office for payment. No invoice or voucher will be paid without a proper 12 digit account number or the proper authorization signature. Please note that account numbers given with insufficient funding to support any payment request will not be processed, and will delay payment until sufficient information is provided. All invoices will be paid according to the terms of the invoice and be remitted to the address on the invoice unless otherwise requested.

VI. Authorized Signature:

Only those individuals whose names have been given to the Business Office by the person responsible for the account may sign a request for payment. Checks will not be processed for

payment requests signed by unauthorized persons. Also, if the person authorized to sign for an account is the recipient of the reimbursement, then the form needs to be signed by his/her supervisor or someone else with the authority to sign on the account in question and has the same level of authority as the person seeking reimbursement. Example: One of the University Dean's wishes to be reimbursed from one of his/her accounts for expenses related to travel for which he/she has the proper receipts. The Dean cannot sign his/her own reimbursement form even though he/she is authorized to sign for the account. The Dean's secretary has authorization to sign for the account but he/she does not have the same level of authority as the Dean. So the Dean must have the form signed by an Associate Dean or someone higher up such as the University Provost or University Treasurer.

VII. Check Writing Schedule:

Checks are written on Tuesdays and Fridays. They may be picked up at 12 noon on those days. The request for a check must be in the Business Office by NOON on Thursday for any checks issued on Tuesdays, and on NOON Tuesday for any checks issued on Fridays. Any requests presented after Noon will be set up for payment on the next check writing day.

However, as things can occur that would prevent checks from being written such as computers being down or sudden illness or death, please plan ahead. An example of good planning would be making the request for a travel advance at the same time conference fees are paid or hotel and travel arrangements are made. We have the ability to schedule checks to be printed at a future date.

Should the payment request contain an error or be missing information, the request will be set aside in order for the check processing procedure to continue without delay. However, requests with errors or missing information should not take more than two weeks to process unless the invoice terms allow us longer.

VIII. Manual Checks:

At times, departments have requested a manual check be written or that we interrupt our balancing procedure to include their request that came in after the deadline. These requests are very counterproductive and will now carry a \$25.00 per request charge to the department.