

Virtus Academy of South Carolina Accounts Payable Policy and Procedures

Only valid accounts payable transactions based on documented vendor invoices, receiving reports, or other approved documentation are recorded as accounts payable.

Vendors and suppliers are paid as their payment terms require, taking advantage of any discounts offered. If cash flow problems exist, payments are made on a greatest dependency/greatest need basis.

In accordance with S.C. Code Ann. § 59-40-50(B)(3), the VASC Board of Directors will contract for a financial audit to be completed each year.

Contracted Services

IRS Form W-9 should be completed by individuals or organizations performing contracted services. Transactions for these services must be flagged in the accounting system as a 1099 invoice. This process will ensure that a 1099 is produced for these vendors. The Finance Office must receive and review a copy of all contracts for VASC prior to service engagement. Contract approval by the Principal or Board as appropriate given the terms of the contract is required prior to service engagement.

Purchase Approval

All VASC expenditures must be approved in writing. Purchases by VASC staff must have an approved Purchase Order on file.

Purchase requests for supplies not exceeding \$500.00 in value may be approved by the immediate supervisor and the Finance Office. The Finance Office will provide the Principal a monthly recap of the supplies purchased without prior approval. The Principal will review and approve or deny (if the purchase approved by the Finance Office violates any VASC policies or procedures) the monthly expenditures. Expenditures that violate VASC policy may be subject to repayment by the employee making the purchase.

All other expenditures must be approved with a Purchase Request by the Principal.

Expense Reimbursements

In the event the normal process of obtaining goods or services is not feasible, VASC staff can seek reimbursement for the goods or services they purchased with personal payment method. All purchases must be approved in writing by the Principal, or his or her designee, prior to the purchase and cannot exceed \$250.00 in cost. When goods or services are being purchased by an individual, an *Expense Reimbursement Form* is required to seek reimbursement. A proof of purchase must be attached with the *Expense Reimbursement Form*.

Employees are asked to submit expenses as soon as they occur or within ten (10) business days from the day of purchase.

The processing time for a reimbursement is ten (10) business days.

Travel Reimbursement

All VASC staff must follow the guidelines outlined in VASC's *Travel and Meal Policy* when conducting travel related expenses. To be eligible for reimbursement, all travel for VASC staff must be properly authorized. To claim expenditures, VASC staff must submit an *Expense Reimbursement Form* within ten (10) business days after returning from a travel. The *Expense Reimbursement Form* must contain expenses that actually occurred.

Invoices

All invoices must be submitted to the Finance Office for processing. Invoices must contain the date of purchase, name and address of vendor, quantity and describing of goods or services rendered, and the amount. All invoices must be reviewed and signed by the Principal and the Finance Office. The Principal and the Finance Office must review the invoice to confirm that the goods or services outlined on the invoice have been received by VASC. The Finance Office will process the invoice once confirmation is received.

Recurring Monthly Invoices

Recurring monthly invoices with vendors that have active contracts or agreements on file with the Finance Office, can be processed without signatures. The Finance Office is to review all recurring monthly invoices to ensure that the invoice matches the cost outlined in the contract.

The amount on the recurring monthly invoice must be comparable each month. Comparable is defined as no more than a difference of 05% in cost. The Finance Office and the Principal must review the recurring monthly invoice if a large difference is noted on the invoice. The Principal must sign off on the invoice and provide an explanation on the amount difference.

Bill.Com

VASC will process all invoices in Bill.Com. All invoices must be approved in Bill.Com by the Principal and the Finance Office prior to payment. Once the invoice is approved in Bill.Com, VASC's financial services provider can proceed with the payment.

Manual Checks

Payments can be made to individuals or organizations via a manual check. This method is used when the due date on the invoice cannot be met using the normal process. The invoice requiring a manual check MUST be signed by the Principal and the Finance Office.

After the payment, a copy of the invoice and manual check must be submitted to Bill.Com for storage and audit trail.

Credit/Debit Card

Credit/debit card statements will be processed monthly. All VASC staff must follow the guidelines outlined in VASC's *Credit/Debit Card Usage Policy*. Each cardholder is responsible for submitting all receipts associated with the charges on the credit/debit card. The Finance Office will review all credit/debit card statements to ensure that all receipts associated with the statement are on file.

A *Missing Receipt Affidavit* is required for any lost or missing receipts.

Responsibility of the Finance Office and VASC's Financial Services Provider

The Finance Office, along with VASC's financial services provider, are responsible for the following to ensure that best practices and procedures are met:

- Maintaining files on all purchase orders for VASC
- Entering all accounts payable information in VASC's accounting software
- Writing all checks for VASC, including special services, and maintaining all information in VASC's accounting software
- Providing expenditure records monthly
- Maintaining accurate account ledgers
- Preparing monthly financial statements
- Maintaining files on accounting data
- Reconciling accounts payable bank statements monthly