Accounts Payable

Conrrado Duran - Vendors A-L, Utilities, Childcare Providers, ext 4532
Kevin Cross - Vendors M-Z, Memberships, Benefits, ext 4928
Julie Chao - Contracts, ext 4812
Cindy Baker - Supervisor A/P, ext 4184

A ‘Purchase Order’ (PO) is the approved authorization for the purchase of ALL supplies, services and equipment from district funds. (See the purchasing website for information about the purchasing process.)

- PO’s are received from the Purchasing Department after a paper requisition or on-line requisition is approved by departments and the Accounting staff in Fiscal Services. The Purchasing staff creates a Purchase Order, has it signed by the Director of Business Support Services, and forwards it to Accounts Payable (A/P), the vendor, and the requesting department.

- A/P receives invoices from vendors and emails the invoices to the ordering department, who authorizes payment by signing the invoices, certifying that the goods or services were received and in acceptable condition. The department then returns the original, approved/signed invoices to the A/P office (Y-14) for payment.

- Prepayment/Advanced Payment requests (usually required for orders of specialized product(s) or services.) should be clearly stated on the PO. The ordering department is responsible for requesting that the vendor send a “proforma” invoice to A/P. A/P will email the proforma invoice to the ordering department, who authorizes payment by signing the invoices, certifying that the department agrees to the advance payment for goods being received or services being rendered at a later time. The
department then returns the original, approved/signed invoices to the A/P office (Y-14) for payment.

- Institutional Membership invoices must be signed and forwarded to A/P (Y-14) for payment. These memberships are approved by the Board of Trustee in May/June of each year and do not need a PO. All other memberships require a PO for payment.

Some of ACCOUNTS PAYABLE DAILY TASKS

1. Receives signed PO’s from the Purchasing Department,

2. Receives invoices from vendors and signed invoices from ordering departments,

3. Receives e-mails or calls from vendors about payment status of invoices (possible A/P responses)
   - LBCC did not receive the invoice
   - A/P received the invoice, but is waiting for an increase to PO
   - A/P received the invoice, but it is with the department for approval
   - Invoice is “in dispute” by the department and a corrected invoice must be received from the vendor and approved by the department before payment can be made
   - A/P received the invoice, but there is no PO in place. LBCC Purchasing procedures were not followed by the department and a purchase was made prior to a valid PO being created by the Purchasing Department. Payment will be delayed until the Purchasing Department has created the PO.
   - The PO instructed the vendor to ship the product(s) to the Warehouse, but the vendor shipped the product directly to the department or the department picked up the product(s). The
payment will be delayed until the department provides the Warehouse with proof of delivery (see below #E).

• Payment has been input and the check/EFT is being processed at LACOE
• Check has been received from LACOE and mailed by USPS, vendor will receive payment shortly.

Summary of Possible Scenarios of the Accounts Payable Process (Matching Invoices to PO’s)

A. **Product is shipped directly to staff/faculty in the department**
   • A/P receives an invoice from a vendor showing product was shipped directly to a department. A/P forwards the invoice to the department via e-mail. The department prints the invoice, verifies all items have been received, and returns the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense.

   • The invoice is received directly by the department. The department verifies all items have been received, and returns the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense.

B. **Product is picked up by staff/faculty in department**
   • A/P receives an invoice from a vendor showing product was picked up by the department. A/P forwards the invoice to the department via e-mail. The department prints the invoice, verifies all items have been received, and returns the invoice with original
authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense.

- The invoice accompanies the product. The department reviews the invoice, verifies all items have been received, and returns the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense.

C. **Service is rendered by consultant/repair company**
   - A/P receives an invoice from a vendor showing that service and/or a repair was performed. A/P forwards the invoice to the department via e-mail. The department prints the invoice, confirms that the services/repairs were completed properly, and returns the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense.
   - The invoice is given to the department when service is rendered. The department confirms that the services/repairs were completed properly, and returns the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense.

D. **Product was received by the Warehouse**
   - In some cases, product is shipped directly to the warehouse. The Warehouse staff records the receipt of the goods in PeopleSoft, contacts the department and/or delivers the product. A/P receives an invoice from a vendor showing product was shipped to the
Warehouse. A/P forwards the invoice to the department via e-mail. The department prints the invoice, verifies all items have been received, and returns the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. A/P confirms the Warehouse receipt in PeopleSoft prior to making payment. Upon payment the department’s budget will reflect the expense.

E. **PO instructs the vendor to ship the product to the Warehouse, but the product is picked up by the department or shipped directly to the department (not to the Warehouse)**

- The Warehouse (Ricardo Harris and Ron Estacio) and A/P must be advised immediately by e-mail that the product(s) have been received. The department shall then forward to the Warehouse via interoffice mail a copy of the PO signed and dated by the authorized person indicating which items were received. The Warehouse will then receive the product in PeopleSoft in order for A/P to process the payment. Note: A/P can only process payments once A/P has received Vendor invoice properly signed and approved by the Department (see above guidelines).

- **Inventory Note** - ALL items over $4,999.99 must have an inventory tag attached to the items. When items are shipped directly to the Warehouse, the inventory tag is automatically attached to the item(s) by Warehouse staff. However, if an item is delivered directly to a department or picked up by a department, an e-mail must be sent to the Warehouse Supervisor, Ricardo Harris, to advise the Warehouse that an item has been received and needs to be tagged for inventory purposes.
F. **No matching PO found**
- If A/P cannot match an invoice to a PO they will send a copy of the invoice via e-mail to the department that ordered the product. This e-mail will clearly state “Unknown or Missing PO” in the subject line and will request the department provide the Requisition/PO number. If the department is able to identify the proper Requisition/PO number, the department will print the invoice, verify all items have been received, and return the invoice with original authorized signature, printed name, date, and PO number written on the invoice authorizing A/P to make the payment. Upon payment the department’s budget will reflect the expense. If the department is unable to identify the proper PO number and/or the invoice does not belong to them, the department will notify A/P immediately via email.

G. **Statements**
- Vendor statements cannot be used to make payments. A/P must have the detailed invoice, listing products received or services rendered, properly signed by Department management prior to making payments.

H. **Audit Codes**
- PO’s created using account strings beginning with 51xxxx’s, 5610-5629xx’s, 571-573xxx’s, 587xxx’s, and most 6xxxxx’s are deemed Audit Codes by Los Angeles County Office of Education (LACOE) and require special handling. All Audit Code invoices must be approved and signed by an Administrator (Executive Vice President, Vice President, Dean, Associate Dean, Director, Deputy Director, etc) prior to payment. Contact A/P to determine if an Administrator is on the current LACOE Audit Code Approval Signatures list.
IMPORTANT NOTES

Accounts Payable cannot make a payment without a Purchase Order.

Return all invoices received at the department level to A/P with the original authorized signature, printed name, and date. Please write the requisition number or PO number on all invoices.

Additional information may be needed from a vendor before a PO or payment can be processed: Vendor W-9, insurance documents, signed contract, etc. (The Purchasing Department will make this determination.)

Long Beach City College’s payment terms are Net 45 and vendors expect to be paid within 45 days of LBCC receiving the invoice. Payment made after 45 days are subject to late fees imposed by the vendor. A/P will follow-up with an e-mail to the requestor and Department Head, Dean or Supervisor if an approved invoice is not returned within two weeks. If you have a dispute with the vendor’s service, product, or price, please e-mail the A/P staff member immediately and advise him/her of the dispute and what is being done to resolve the issue. (We get several calls each day asking about payment status.)

Long Beach City College is required to pay California ‘Sales Tax’ (currently 8.75%) on all products received, even if the order is placed through the internet or the vendor is located in another state or county. If the vendor does not charge LBCC California sales tax, A/P will calculate the correct sales/use tax required and remit the sales/use tax directly to the state of California monthly/quarterly.