

Accounts Payable System

The *State University of New York Fiscal and Accounting Procedures for Mandatory Student Activity Fee Programs* state that the Student Government/Client must provide proper evidence that goods or services are obtained prior to payment (except in cases where an advance deposit or pre-payment is required). Receipt of the order must be verified by completing the **Receiving Report** on the Purchase Order (R.E.P.)

The expenditure must be documented by attaching original vendor documentation for the purchase, or an original signed contract for services, to the R.E.P./Encumbrance Request package. **All copies** of the **entire** invoice should be attached. (you may make a photocopy to keep for your records.) Valid forms of documentation include:

- **Original** vendor invoice, sales slip, or cash register receipt which clearly indicates the vendor's name and address, the date of the purchase, a clear itemization of what was purchased, and the amount of the purchase.
- **Original** contract for services which clearly states the responsibilities of both parties as to the names and addresses of the parties, the services to be provided, the date(s) of the service to be provided, reason for the services, the cost of the services, any other requirements or expectations of the parties, valid authorized signatures of both parties, the social security number or tax identification number of the service provider, and the date the contract was made. Any changes to a contract must be initialed by all parties. It is recommended that you consult Sub-Board I or legal counsel before entering into any contract.

All forms of documentation must be original. Photocopies, faxes, adding machine tapes, etc. are not valid forms of documentation. Hand-written, vague, or non-vendor-specific invoices, sales slips, or register receipts may not be acceptable documentation. Internal and independent auditors require original vendor documentation to minimize the potential for duplicate payments and fraud. It is recommended that you use, whenever possible, an

approved list of vendors who will extend credit (will bill you) and provide standard, valid, verifiable documentation for purchases.

If the purchase is for capital equipment, the Capital Equipment Requisition must be completed and attached to the R.E.P./Encumbrance Request Package.

If necessary, the payment amount is adjusted according to the vendor documentation and the R.E.P./Encumbrance Request package, together with all required attachments and receiving information is forwarded to the administrative designee for approval, if required.

Accounts Payable Cycle at-a-glance

