



Accounts Payable Policies and Procedures

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What You Need To Know

-The Basics-



- Fiscal Year is July 1 through June 30
- Purchase Orders
 - PO is a contract between SBU and vendor to provide goods/services to the University.
 - Required for **every** commodity purchase and request for service
 - Details specific items to be purchased and/or services to be provided
 - Departments must submit an email to the buyer to add additional items/funds to existing purchase orders. Split ordering is not allowed.

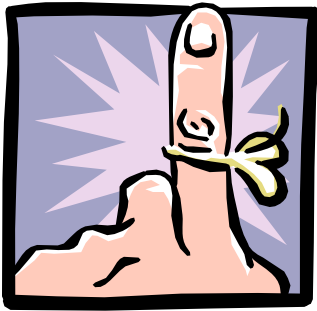


What You Need To Know

The Basics (Continued)



- Blanket Purchase Orders
 - Estimated fiscal year encumbrance for the purchase of goods/performance of services
 - Price list must be included/submitted with all purchase orders
 - Prior year blanket purchase orders do not rollover to the following fiscal year. New purchase order must be encumbered July of each fiscal year via the submission of a new-year purchase requisition
 - Department calls in orders to vendor as needed and provides vendor with valid purchase order number for all orders
 - Department must monitor spending and purchase order funding balance
 - Submit email to buyer to request additional funds
 - Department payment approval of invoices is required for blanket orders



Prompt Payment



- Designated Payment Office
 - The Procurement Office is the designated payment office
 - All original vendor invoices must be mailed to the Procurement Office
 - Departments should not accept or advise vendors to submit the original invoices to them
 - Faxed copies of invoices should only be accepted if invoice is over 30 days old
- Merchandise/Invoice Received Date (MIR Date)
 - Invoices are date stamped when received in Procurement
 - Procurement Office has 30 days from receipt of invoice or goods – whichever is later - to pay before interest penalties accrue
- How can you stop the interest “clock” from ticking
 - Departments must advise the Procurement Office, in writing, of any issues/discrepancies that may impact payment of an vendor’s invoice.
 - Prompt payment law states vendor must be notified of any payment issues/discrepancies within 15 days
 - Upon resolution of discrepancies, final determination of MIR Date will be made by the Procurement Office.
- For more information, visit the following website:
www.osc.state.ny.us/agencies/gbull/g-147



Invoice Payment Timeline



- Day 1: Invoice received in Procurement-A/P
- Day 2-4: A/P reviews invoice and sends to department
- Day 5-9: Department reviews invoice
- Day 10-13: A/P processes payment
- Day 14-19: Check issued for small dollar (KPV) payments
» OR
- Day 14-24: Check issued for high dollar (V02) payments

Any delays in this process may result in interest to accrue.

Therefore...You must return the Payment Authorization form to A/P within 3-5 business days!!



Documents Required For Vendor Payment



- AP performs a three-way match when processing payment to vendors
 1. Invoice
 - Must reference a valid purchase order number
 - Items listed on invoice must match items on purchase order
 2. Purchase Order
 - Any deviation in items or scope of work requires the issuance of a change order
 3. Receiving Documentation
 - SUNY on-line receiving system *or*
 - Department acknowledging receipt of goods/services = “okay to pay”



Payment Levels



- **Quick Pay (KPV):**
 - Invoice amount is less than \$1,000,000.00
 - Payment information reviewed electronically by OSC
 - Check issued within 7 business days after being input
- **Standard Pay (V02):**
 - Invoice amount is \$1,000,000.00 or more
 - Vouchers are mailed to Albany for audit and release of payment
 - Check issued within 7-10 business days after being input



Department Approval Requests



- A/P will either e-mail or inter-office mail the invoices and supporting documents to you
- Departments must monitor, address and promptly return invoice Payment Authorization Form to ensure timely payment.
- If the Payment Authorization Form was mistakenly sent to you/your department in error please contact us to bring the matter to our attention. Any such error results in increased interest payable to the vendor.
- If and when OSC performs an audit you may be asked to justify and support your claim that the goods/service were received/performed
 - Therefore...Make Sure:
 - You are certain goods have been received
 - You know the location of those goods
 - Those goods have been properly tagged for Property Control purposes
 - For Services...Make Sure:
 - You can clearly show the vendor's services were performed
 - You can document with clear, detailed records when the vendor's employees arrived to begin work and when they "clocked out" each day



Payment Authorization Form



TO:
FROM:
REQ #

PO #

DATE:

INVOICE #

Your signature below confirms:

- **Materials/services have been satisfactorily received/performed;**
- **Purchase Order terms and conditions have been met;**
- **Vendor prices are in accordance with PO/Contract**

- **To avoid interest charges as specified by NYS Prompt Payment Legislation please review attached invoice(s) and forward to Procurement Office within 3-5 days.**

Signature _____

Printed Name _____

Date Materials/Services Received _____

This Invoice/Order Is In Dispute with the Vendor.



ELECTRONIC PAYMENTS

- Vendors can sign up to receive electronic payments from the state of New York, within 2-3 business days of having been received and audited by OSC
- Once a vendor signs up for electronic payments (ACH), all New York State-issued payments to that vendor will be remitted via electronic fund transfer.
- <http://nysosc3.osc.state.ny.us/epay/guide.htm>



NYS Taxation & Finance Liens



- If a vendor owes back taxes to the state of New York, the Department of Taxation & Finance will place a lien against funds owed by the respective vendor.
- NYS Tax & Finance will garner any payment issued to the vendor up to the amount owed to the state of New York.
- Lien results in a payment issued to the vendor in an amount less than that which they invoiced.
- As far as SBU is concerned, payment has been issued to the vendor, in full.
- Vendor must contact the OSC Offset Unit to discuss the lien issue. Campus is not involved in this issue.



OSC Payment Inquiry Website

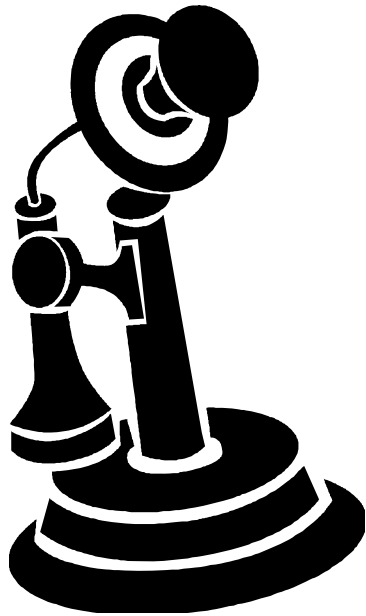
- Vendors can log onto the following OSC website to check payment information and payment history:
 - <https://wwe1.osc.state.ny.us/ach3/achpaf.cfm>



Check Tracers/ Copies/Reissue

- Requests for check traces/reissues can be initiated beginning 30 days after the check was issued.
- Requests for a copy of a cancelled NYS Treasury check are typically completed within 7 to 10 business days
- Requests for the reissue of a NYS Treasury check are typically completed within one month

Contacts



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