



Office of
Clerk of Court
Tim Smith

ACCOUNTS PAYABLE AND VENDOR DISBURSEMENT PROCEDURES 9/30/20

CASH DISBURSEMENTS:

The Purchasing System interfaces with the Accounting System. An authorized person in each Department enters a requisition in the system and it is then approved by the Department Head or his/her designee. The Purchasing Agent has a second level of approval. Once he/she approves it, the requisition becomes a purchase order.

The purchase orders are pulled from the purchasing system and updated into the accounting system. The system sets up an encumbrance in the account for the amount of the purchase order.

Purchase Orders are maintained electronically on the AS400 and on the county network. Vendor invoices are signed or initialed by department heads for proper receipt of goods or service and then sent to Finance for payment. It is the responsibility of the department heads to compare the invoice with the purchase order for any differences. Many times the PO's are attached to the invoice when sent to finance, however; this is not always the case since the PO's are available electronically.

The bills are split by Departments primarily between two account clerks in finance. Clerk 1 pays all utilities such as electric, phones and water bills for BOCC departments. Clerk 2 mainly pays everything else. When the approved invoices are received from the Departments, they are distributed to the appropriate account clerk. The invoice package is reviewed for math accuracy, etc. If all items on the invoice are in order, payment is entered in the purchasing system and accepted. If the payment amount entered is different from the amount on the P.O., the AS400 will prompt a message to the account clerk. If an outstanding balance exists or if there is a discrepancy between the invoice and the P.O., the department head is contacted in order to resolve the issue. The department head must then contact the county's purchasing agent to adjust or revise the P.O. in order continue with the payment (the account clerk does not have rights to alter P.O's.) If the item does not have a purchase order and is deemed appropriate for direct pay, a voucher is prepared for check processing.

After input, the check run batch from the purchasing system is pulled and updated into the accounting system by Finance clerk. Management is then notified that checks are ready to be run. Ryann Mirabito, Scott Fleming or Susan Frank then runs an "AP Reconciliation Report by Fund." The report is reviewed by one of the above and documentation is reviewed for any questioned transactions. The report is then initialed and dated by the manager and given to the administrative

assistant at the front desk. Authorized clerk is then authorized to process the check run. Checks are run on laser printer paper with signature card inserted (kept in the office safe; safe not locked during the day). The checks are given to the administrative assistant at the front desk in the Finance Department along with a "Check Register" for the check run. The "AP Reconciliation Report" and the "Check Register" totals are compared for agreement. Beginning and Ending check is compared to the "Check Register" along with the previous week's "Check Register" for completeness (integrity of beginning & ending check sequence). The checks are compared to the invoice and the check copy is attached to the invoice. If everything is correct, the checks are placed in an envelope by administrative assistant for mailing when positive pay is processed. Positive pay is processed by authorized clerk. The mail clerk, mails the checks.

All check copies and backup documents are then scanned into the system. A program is then run by administrative assistant to determine that all checks in the run were scanned.

Positive Pay

The County/Clerk began utilizing the positive pay service provided by the bank in 2007, which is an automated fraud detection tool offered by the bank to match the account number, check number and dollar amount of each check presented for payment against a list of checks previously authorized and issued by the county. All three components of the check must match exactly or it will not pay. If an exception is presented, the bank will contact Finance for approval to pay. In addition, the bank sends an approval for all checks that are presented for payment before checks can be released to vendors.

PAYROLL:

Time Trex is a software program utilized by the Board which allows departments to input their supervisor approved payroll time. Time sheets are completed by punching in/out on Time trex, the time keeping system. At the end of the week the employee verifies that their timesheet is complete and accurate and clicks "verify" to turn in their timesheet electronically.

The supervisor checks each time sheet for propriety of hours worked; leave time approved and taken, sick time, holidays and any other non-normal working time. The supervisor or other authorized timekeeper then total hours accuracy on the time sheet. The supervisor clicks to "authorize" their employees' timesheets. If changes are needed, the payroll clerk contacts BOCC Supervisor or BOCC Human Resources so they can make any necessary corrections. Changes may include promotions or direct deposit, etc.

The payroll system is an exception system. The data from Time Trex is uploaded into the payroll system via Excel Spreadsheet. The payroll clerk checks the uploaded information was first, entered correctly and secondly, transferred from the software accurately. Payroll Clerk (Heidi) signs-off on each department on report after the data that has been uploaded and checked for accuracy. Then she runs an Hours Proof Listing in order to balance. This report is used to ensure that the proper information has been entered into the system. The Preliminary Register is run and the report totals are compared to the Hours Proof Listing, as well as the hours for other-than-normal time. The Payroll Clerk initials the Hours Proof Listings as they are verified. All differences are researched to an adequate conclusion. Currently, all BOCC departments enter their payroll into Time Trex Software except EMS. The EMS department enters their payroll on a timekeeping system called

Aladtec, the same procedures are followed with the Aladtec system. After the edit process is completed she requests a check run for payroll. Checks are run on laser printer with a signature card inserted by Finance clerk. Clerk then notified to process payroll checks and print the direct deposits, and then authorized clerk receives direct deposit report to draft/upload the direct deposit submission, once drafted/uploaded clerk notifies Scott Fleming or Susan Frank draft/upload is ready for approval and also give the direct deposit report to them for comparison of draft/upload on bank site. Paper checks are given to administrative assistant to fold and seal, sort by department and create sign out sheet by department for pickup. Pay rates are approved by management and approval is documented in employee's personnel file.

Additionally, at this time a payroll report (Positive Pay) is produced showing the individual person and the check information. This report is given to authorized clerk to process the positive pay.

When positive pay is processed, the person at the front desk in the Finance Department Administrative assistant prepares a check release log and holds the checks until the department heads or designees come and sign for the checks.

As with other cash disbursements, updates are verified so that they agree with the batch on the log prior to posting.

Payroll Accrual:

Susan Frank reviews and approves payroll accrual calculations and posting at end of the year.