

HOONAH CITY SCHOOL DISTRICT

SOP No. 9

ACCOUNTS PAYABLE PROCESSING PROCEDURES

1. PURPOSE: To establish procedures for initiating, processing, authorizing, reviewing and recording accounts payable transactions.
2. AUTHORITY: Superintendent
3. RESPONSIBILITY: Business Manager and Accounting Clerk personnel
4. PROCEDURES: The following procedures should be followed for completing accounts payable checks:
 - a. Purchases and Expense Recording
 - Purchase requisitions should be prepared and approved by the supervisor and sent to the Business Office for processing.
 - Purchase requisitions, supplier invoices and receiving reports should be matched up, coded, and entered into the software system.
 - Expenses should be compared to budgets monthly by supervisors and variances are investigated by the Business Manager.
 - b. Cash Disbursements
 - Every two (2) weeks, an invoice batch is prepared by the accounting clerk and given to the business manager for approval.
 - The invoice batch and supporting invoices are approved by the business manager, as indicated by signature or initials.
 - Checks are printed upon approval of the invoice batch.
 - The Superintendent reviews and approves the check register before checks are released, as indicated by signature or initials.
 - Wire transfers are approved by the Superintendent prior to being transmitted, using the wire transfer approval form.
 - Bank reconciliations are prepared monthly (see SOP 14 for those procedures)
 - c. Accounts Payable Ledger Maintenance and Financial Reporting

- All vendor master file changes are authorized by the Business Manager (e.g. new supplies and changes in supplier details.)
- The accounts payable account in the general ledger is reconciled by the Business Manager.
- Open purchase requisitions are reviewed monthly by the Business Manager and/or Accounting Clerk, as indicated by signature or initials.