

II. ACCOUNTS PAYABLE

2.1 INVOICE PROCESSING

Payments are processed only from original invoices. All invoices are to be received by the Accounts Payable department. Each Accounts Payable Accounting Assistant receives source documents, inputs them into FRS after verifying accuracy, and fills in the cancellation stamp (voucher number, prepared by, date). Vouchered documents are filed alphabetically in the Accounts Payable department. Documents paid from accounts managed by the Director of Contracts and Grants are filed by account number in a "Contracts and Grants" file, with copies being filed in the Accounts Payable department. Attachments or documents that must be returned with the check will be filed in a "holding file" for matching with state warrants or local checks. State warrants are requested by an electronic feed to USAS. Local checks are printed in Accounts Payable using files downloaded from nightly batch runs.

Items purchased for less than \$500.00 do not require receiving documentation from the Receiving Department of Facilities Management. When an invoice is received for such orders, the invoice will be date-stamped and copied. The copy will be sent to the manager of the account being charged for the purchase. Attached to the invoice is a form requesting the approval or non-approval to pay the invoice. This form and invoice must be returned to Accounts Payable within five (5) days. Receiving no contrary indication from the account manager, invoices under \$5,000.00 are processed on the specified date. If the invoice is over \$5,000.00 permission **must** be given by the department to make the payment.

Payments for goods and services that have been ordered through the Purchasing system using a Purchase Order will be requested using FRS screen 240. Payments for goods and services for which no Purchase Order has been issued will be requested using FRS screen 104. Refer to *Chapter IX - Procurement* or *Exhibit B* of this section for purchases not requiring purchase orders.

If a payment is requested against an account having inadequate available budget balance, the account manager will be notified and requested to submit a budget revision to establish sufficient budget. If the budget revision is not received in time to avoid prompt payment violation, the payment will be processed and the account of the supervising department head, dean, or vice president will be held responsible for the over budget condition. All payments processed by the University must be for official University business and payments must comply with the intent for which the account was established.

2.2 MAIL

Invoices, "Request to Pay Vendor" Form F4.7 (*see Exhibit A*), and other documents are received and date-stamped as evidence of receipt. The account number and/or the purchase order number is/are entered on the invoices and "Request to Pay Vendor" forms. The invoices are copied and the copies are sent to the account managers, with the "approval forms" attached, requesting approval for payment.

2.3 INVOICES AND F4.7's NOT APPROPRIATELY DOCUMENTED

A memorandum requesting the necessary supporting documentation or information will be sent to the appropriate department or company. Unresolved problems will be reviewed on a daily basis. When the deficient information is received and processed the Vouchered documents will be filed alphabetically in Accounts Payable.

2.4 CORRECTION OF ERRORS

The following FRS reports are reviewed daily and corrected by the Supervisor of Accounts Payable or his/her designee (accounting assistants):

- a. PBD0085 (Screen 247) - documents not feeding from Purchasing to Accounts Payable.
- b. VBM093 - outstanding vouchers with errors to be corrected.
- c. Data Entry receives the DAFR7700 from the USAS network. If there are errors on the report, Data Entry forwards it to the Accounts Payable department. Accounts Payable Accounting Assistants review the errors and send corrected information to Data Entry for entry into USAS.

2.5 RELEASE OF CHECKS

Special processing:

- a. Pull enclosure documents to mail with checks.
- b. Distribute Student Financial Aid checks, refund/credit balance checks, and deposits to the Cashier's office.
- c. Mail travel reimbursement checks, local checks, and State warrants.

2.6 SECURITY FOR CHECK PRINTING

The printing lockbox and printer are locked in the office of the Supervisor of Accounts Payable. The key to operate the lockbox is secured with the Assistant Vice President for Finance. The check stock is kept in the safe.

2.7 TRAVEL

Employees of agencies of the State of Texas are eligible for reimbursement of travel expenditures, provided the travel is for official State business. Official business shall include the formal presentation of original research by an employee, if the presentation is made before a national, international, regional, or state learned society, and if the travel for such purpose has been approved in advance.

University employees may receive travel reimbursement from either State or Non-State funds. All guidelines and procedures required by the State of Texas must be followed for reimbursement regardless of the source of funds, unless precluded by provisions of gifts, bequests, contracts, and/or grants. None of the monies appropriated in the General Appropriations Act of the State of Texas may be expended for official travel expenses incurred by members of governing boards, executive and administrative heads, or by any employees of state agencies of

higher education, except for official business as approved by the appropriate governing board. Students may not be reimbursed for travel expenses from Educational and General Funds, unless the institution has collected a fee to cover the travel and the fee is deposited in the State Treasury.

Travel Rules and Regulations, as published by the State Comptroller's Office, enumerate the guidelines for travel reimbursement. Major travel provisions are discussed in this chapter.

2.7.001 Transportation, Meals, and Lodging

- A. Employees of Lamar University are entitled to receive the following when traveling to conduct official business; reimbursement of expenses for meals, lodging, transportation, and incidental expenses at rates specified in the Appropriations Act for State employees and in compliance with Lamar University policy.

Lamar University policy provides for reimbursement as follows:

- (1) Actual costs of lodging and per diem meals for in-state travel, except that such reimbursements may not exceed the current maximum established by law and in compliance with Lamar University policy.
- (2) For out-of-state travel, employees may receive actual costs for lodging and a per diem for meals not to exceed the locality-based allowance provided by the Federal Travel Regulations for lodging and meals unless the State Comptroller determines in advance of the travel that local conditions warrant a change in the lodging rate for a particular location.

2.7.002 Purpose of Travel

To qualify for travel reimbursements the purpose of a trip must be "state business" or "official business" of Lamar University. State or official business is the accomplishment of a governmental function directly entrusted to Lamar University including the reasonably necessary means and methods to accomplish that function.

The purpose of travel must be sufficiently explained in requesting reimbursement including a description identifying persons or places contacted and/or the nature of the official business performed. A statement of the benefit of the travel for Lamar University is also required. If a paper is presented, the title of the paper must be stated. Names of associations, meetings, etc., must be spelled out; abbreviations are not acceptable.

2.7.003 Improper Travel Reimbursement

When an employee engages in travel for which compensation is to be received from any source other than Lamar University funds, he or she shall not submit a claim under the provisions of Lamar University travel regulations. An employee who receives an overpayment for travel

expenses shall reimburse Lamar University for the overpayment.

2.7.004 Travel Bonus (Frequent Flyer) Awards

Regents or employees who earn credit with airlines, hotels, car rental companies, etc., for official travel are not required to account for such credit or to use such for official travel only.

2.7.005 Foreign Travel

Foreign travel must have advance written approval of the University President and the Governor of Texas. The request should include an explanation and justification of how the trip benefits the State of Texas; it should also include the contact person's name and telephone number. This does not include travel to U.S. possessions, Mexico or Canada. State employees may receive actual expenses when traveling on official business outside the continental United States (i.e., Alaska, Hawaii, U.S. possessions, Mexico, and Canada) upon submitting an itemized list of expenses incurred. The Department Head/Account Manager, Dean, and the Vice President for Finance and Operations must give approval for reimbursement of actual expenses. The Statement that "the claim for actual expenses has prior approval by the appropriate agency head" is to be made on the back of the voucher.

2.7.006 Reimbursement of Expenses

Verified expense accounts shall be submitted to the travel clerk for processing and the same shall be subject to review and control of the Vice President for Finance and Operations. Additional lodging expenses will generally be approved when the employee uses the hotel hosting a conference. Other exceptions will generally, not be approved. Funds for overage will not come from State or Federal funds.

Actual expenses will be reimbursed up to the limits established by law or appropriation act. Reimbursement for lodging expenses that exceed the rates established by law or appropriation act will not be made unless the divisional Vice President submits a written request justifying the additional amount for approval. The approved request shall be submitted to the travel clerk with the "Request to Travel" form F3.32 (see Exhibit C).

2.7.007 Prior Authorization

Travel Authorization must be obtained in writing prior to the departure date. A "Request to Travel" form F3.32 (see *Exhibit C*) must be submitted by the traveling employee to his department head and the person authorized to approve travel for that department by the University President prior to travel. After they approve the request, the form is to be forwarded to the travel clerk. The travel clerk will encumber the account indicated on the approved "Request to Travel" for the amount of the travel. Encumbrances will be liquidated and the account charged by the travel clerk when the travel voucher is submitted following the travel. Employees who fail to receive authorization prior to departure may not be reimbursed for the expenses associated with the travel.

2.7.008 Travel Advances

Travel advances may be obtained prior to departure for those employees not possessing the Bank of America Corporate Card provided to State employees or for travel involving expenses for groups or teams. Advances will be made by the travel clerk from Institutional funds if an approved F3.32 is submitted by the employee.

An advance from Institutional funds may be granted providing the employee signs a "Travel Advance Agreement" (see *Exhibit D*) authorizing the University to withhold, from salary, payments in the amount of the advance if the advance is not cleared within 30 days from submission of their Travel Voucher. If the expense reimbursement is less than the travel advance, the difference must be remitted to the Travel Office **upon return to campus**. Checks are to be made payable to Lamar University. When remitting cash, the travel clerk will complete a deposit slip for the traveler to take, along with the cash, to the Cashiers' Office to deposit. The cashier will give the traveler a receipt and the traveler must attach a copy of that receipt to the travel voucher they submit to the travel clerk for that trip.

2.7.009 Reimbursement for Prospective Employees

Travel reimbursements for Prospective employees are processed in the same manner as are regular State employees. Travel advances are not available to prospective employees. Prospective employees are under the same requirements as University employees in terms of providing receipts and vouchered submissions. Per the State Employees' Travel Allowance Guide, Part 15, Section 1, a prospective employee is defined as "an individual who has incurred expenses when requested to visit a state agency, department, or institution of higher education for the purpose of being interviewed and evaluated for employment. This also includes current state employees traveling to be interviewed for a new position when requested by an agency other than the agency by which he is currently employed."

2.7.010 Out-of-State Travel

Out-of-state travel requires prior approval by the appropriate agency head before any State employee can be reimbursed. For allowable, out-of-state meal and lodging rates, see the previous Travel Section 2.7.001.A(2).

2.7.011 Processing of Travel Vouchers

Travel vouchers must be approved and submitted immediately upon completion of the travel by the University employee. All appropriate receipts, conference brochures, and authorization statements must accompany the voucher. Persons with authority to approve travel vouchers are designated by the University President. The Accounting Office processes all travel vouchers for reimbursements made from State and Local Funds. Travel reimbursements paid from Restricted Funds require review and approval by the Director of Contracts and Grants.

Checks for travel reimbursements are disbursed through the U.S. Postal Service. Therefore, all travel vouchers must contain the traveler's home address. Only in extraordinary circumstances will such checks be held by the Accounts Payable Office for employees to pick up in person.

2.7.012 Exceptions to Travel Provisions

Exceptions to the State travel provisions require approval by the Vice President for Finance and Operations or the President.

2.7.013 Partial per Diem

Partial per diem for travel periods of less than one day, when the employee is not required to stay away from headquarters overnight, will **not** be paid to Lamar employees. Payment of such partial per diem allowances would likely result in recognition of taxable income to the employee.

2.7.014 State Travel Contract

Travel arrangements for all individual State employees should normally be made through the firm that is awarded the State Contract for travel. Employees not using the State's designated vendor must provide written justification for such action on the Request to Travel form.

2.7.015 Bank of America Corporate Cards

Bank of America Corporate Cards are available for use by State employees who travel frequently. The purpose of the card is to decrease the need for employees to use personal funds and to decrease the need for travel advances. The University will approve issuing a card to an employee if the employee is expected to take at least three (3) trips or spend at least \$500 per fiscal year for state travel.

While an employee is not required to accept a state-issued charge card, at a minimum, **all airfare for state travel must be charged to the State's contract charge accounts.** By accepting a charge card, the employee accepts the responsibility for paying all charges timely and agrees that the charge card is intended for University travel purposes **only**. Each employee who accepts a card will sign a "Charge Card Use Agreement" (see *Exhibit E*).

The corporate travel card issued to an employee by the University remains the property of the State of Texas and **is to be used for business-related charges only while traveling on official state business from designated headquarters.** Use of the corporate travel charge card by an employee for personal business is considered a violation of state policy and will be subject to corrective action. The State Travel Management Program (STMP) and the University receive monthly reports of charges made on all charge cards and the status of payments. Charges are reviewed for compliance with guidelines stipulated on the "Charge Card Use Agreement" signed by the employee at time of application. If an account ages to 60 days past due for the second consecutive month, the charge card vendor (Bank of America)

will impose a 1.5% delinquency assessment on all 30 days plus money. If an account ages to 90 days past due, the 1.5% delinquency assessment will be imposed and the account will be cancelled.

It is the responsibility of the University to monitor charges and payment status on all individual corporate charge cards issued to its employees and to ensure compliance with the regulations and penalties stipulated on the Charge Card Agreement.

Bank of America Corporate cards are to be surrendered to the travel clerk upon the employee's termination of employment with Lamar University. The travel clerk will destroy the card and notify Bank of America that the account is to be closed.

Contract Services provided by Bank of America are:

1. \$5,000 total limit per billing cycle for travel.
2. \$200 total limit per billing cycle for retail purchases; (e.g., registration fees, gasoline, parking facilities, taxi cabs, etc.).
3. Insurances
 - Bank of America offers Common Carrier, Travel, Accidental Death and Dismemberment Insurances up to \$500,000 when the cardholder charges full-fare ticket for land, sea, or air public transportation. The policy covers the cardholder door-to-door. This includes: travel to and from the airport, terminal, or station following the covered common carrier (any public conveyance). The travel "to and from" must be on another carrier, but does not require that payment be charged to the cardholder's account.
 - Baggage: Provides reimbursement for direct physical loss or damage to checked and/or carry-on luggage. Passengers using the Bank of America Commercial Card will be eligible for up to \$3,000 over the amount paid by the common carrier.
4. Master Rental Insurance Coverage: Cardholders are eligible for primary coverage worldwide for rentals used primarily for business purposes, up to the actual value of most rental cars for damage due to collision or theft for rental periods which exceed nor are intended to exceed 31 consecutive days.

2.8 DEFINITIONS

Designated Headquarters:

"The area within the city limits of the incorporated area in which a state employee's or legislator's place of employment is located. If an employee's or legislator's place of employment is located within an unincorporated area, then the area within a five-mile radius of the place of employment is the designated headquarters. If a city, town, or unincorporated area is completely surrounded

by the city or town in which an employee's or legislator's place of employment is located, then the designated headquarters includes the surrounded area." (*State of Texas Travel Allowance Guide*, Office of the Comptroller, January 1998).

Ethic Commission Ruling:

Ethics Advisory Opinion (EAO) No. 147 (Issued June 24, 1993), provides in summary: A public servant's use of a state-issued credit card for any type of expense other than a state business related expense is a misapplication of state property and may violate Section 39.01 of the Texas Penal Code. It is not a misapplication of state property to use a state-issued credit card for a business-related state expense in accordance with rules established by agencies authorized to control the card's use. "Intentional or knowing use by a state employee, i.e., a public servant, of a state-issued card for other than state purposes violates subsections (a)(1) and (a)(2) of TEX.PEN.CODE ANN., section 39.01" (EAO #147, June 1993).

Exhibits

- A Request to Pay Vendor - F4.7*
- B Purchase Order Exception List*
- C Request to Travel At University Expense - F3.32*
- D Travel Advance Agreement*
- E Charge Card Use Agreement*