

# City of Richmond

## Administrative Manual

**SUBJECT:** Accounts Payable

**SECTION:** Finance

**POLICY NUMBER:** AP 506

**INITIAL DATE PREPARED:** November 24, 1999 **LAST DATE REVISED:** November 24, 1999

### **I. Purpose**

To establish departmental responsibility for the proper handling of invoices received by the City.

### **II. Policy**

- A. The City of Richmond receives invoices from a variety of vendors. Invoices may be received in the departments and department directors are responsible for time/date stamping all invoices. Department directors are responsible for forwarding original invoices, shipping documents, bills of lading, and any other document pertaining to the invoice received by their department to the Finance Department by the next business day.
- B. The Finance Department is responsible for time/date stamping all invoices received. The Finance Department is responsible for paying all invoices within 15 business days from the date the Finance Department receives the invoice.
- C. The Finance Department will take advantage of all discounts available to the City.

### **III. Procedure**

#### **A. Department Directors**

- 1. Department Directors or their designated management official shall time/date stamp invoices upon receipt.
- 2. Department Directors or their designated management official shall stamp the invoices to be paid. The stamp shall require the appropriate accounting code, the amount to be paid and the signature of the approving management official. Any difference in the invoice should be resolved by the responsible

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Department Director with the vendor before forwarding it to the Finance Department for payment.

3. Department directors or their designated management official will forward all pertinent original documents such as: delivery orders, shipping documents, bills of lading, and any other document pertaining to the invoice to the Finance Department by the next business day. The first page only of contracts and/or standing procurement orders should accompany the invoice if future payments are necessary.

### **B. Finance Department**

1. The Finance Department shall time/date stamp invoices upon receipt.
2. The Finance Department will pay invoices and bills from vendors and employees. Vendors may be paid as a result of Standing Procurement Orders (**AP 6\_\_**), Procurement Orders (**AP 6\_\_**), Contracts (**AP 6\_\_**), Tax Payment Orders, Debt Payment Orders and Credit Card invoices (AP 518 and AP 519).
3. Employees may be paid as a result of Petty Cash Vouchers (AP 510), Training Reimbursement Forms (AP 306), Travel Advances (AP 508), Travel Expense Reports (AP 508), and Payroll Orders (AP 511).
4. All invoices, bills and orders will be processed by the Finance Department upon stamped approval of the department director or the designated management official in accordance with the budget.
5. The Finance Department will take advantage of all discounts available to the City and will pay all invoices within 15 business days from the date the Finance Department receives the invoice.