

Title:	Accounts Payable	Effective Date:	10/01/2013
Author:	Shirley Greenlee	Last Review Date:	03/21/2021
Location:	All Locations	Last Revision Date:	03/21/2021
Functional Area:	Accounting/Payroll		

POLICY

Liberty Healthcare Corporation is dedicated to the prompt and accurate processing, verification, authorization and payment of bills and invoices for goods and services received and rendered. The policy ensures that invoices are verified and approved in a timely manner at the program level and submitted to Accounts Payable for timely authorization processing and payment. Prompt posting to the General Ledger facilitates more up-to-date budget information for more effective program, contract, and corporate management.

Receipt of bill or invoice at program site:

- When the program receives an invoice (bill) for goods or services, the invoice is stamped with a red-ink data box and the processing person then enters the required information:
 - Date Received – date the invoice was received at the site;
 - Date Due – date when payment is due;
 - Date Submitted – date that invoice is sent to the corporate office;
 - Amount to Pay;
 - G/L Account Distribution # – If more than one # is applicable, additional code numbers and corresponding dollar amounts are noted.

Approval of invoice at program site:

- The Site Director or his/her designee reviews the invoice for accuracy and verifies that the goods and/or services are legitimate and/or have been received.
- If the invoice is okay, the Site Director provides written approval by signing and dating the Program Approval and Date line in the red-ink data box. (If there is a question or concern about the accuracy or nature of the invoice, the Site Director investigates, and problem solves as appropriate).
- On a weekly basis, site administrative staff places the approved invoice in the mail to the corporate office. With the exception of urgent billings, which require immediate mailing or sent electronically, the invoices are typically bundled in a weekly mailing to the corporate office.

Corporate Accounting Department receives invoice from site:

- Accounts Payable (AP) receives the invoices from the site and begins processing. If the Contract Manager is readily accessible (i.e., in the corporate office). (If there is a question or concern about the accuracy or nature of the invoice, the Contract Manager investigates, and problem solves as appropriate).
- If the Contract Manager is not accessible, AP enters the invoice into the computerized account for the given program. Processing of the bill is not delayed to wait for Contract Manager approval. An AP general ledger posting report is sent electronically to the Contract Manager for review and approval.

Invoice processing and invoice irregularities:

- If the invoice appears accurate, AP posts the bill in the General Ledger by entering the invoice #, invoice date, amount, terms of the bill (e.g., 30 days, past due, etc.) and any comments (if applicable).
- If AP identifies any errors or inconsistencies in the invoice, or has questions or disagreements with the program’s choice of G/L Account Distribution numbers, AP will respond according to its seriousness:
 - ◆ If the error or inconsistency is minor and readily corrected, AP notifies the Site Director of the correction via e-mail. Processing of the invoice continues.
 - ◆ If there is a more serious concern or question about the invoice, AP promptly contacts the Site Director by telephone for clarification/resolution. In this instance, the invoice is “held” until resolved.
- If AP has not yet received the Contractor Manager’s written approval on the invoice, and if it is necessary, it is obtained at this time. Some invoices are sent electronically to the Contract Manager for approval. Invoices that are received directly at corporate, AP will stamp, enter information, scan and email to Contract Manager, Director and/or Business Manager (whichever is applicable) at the program for approval.

Payment process:

- Payment checks are cut at least twice a week.
 - ◆ If payment of the given invoice is a priority, AP places the check in the “RUSH” file for same-day signature by the President.
 - ◆ If payment is routine, AP places the check in a regular file for signature by the President.
- If the check is signed by the President before 3PM of the business day, the check is mailed that same business day.

Approved By: _____

Revision History

Version	Date	Author	Summary of Changes
#1	10/01/2013	Shirley Greenlee	Policy Created
#2	03/21/2021	Shirley Greenlee	Policy reviewed with the following changes: replaced VPO with Contract Manager