

**DOCUMENTATION NEEDED  
FOR PROCESSING PAYMENTS**

**DOUGLAS COUNTY CLERK/COMPTROLLER**

**November 2006**

## Table of Contents

I.	Introduction	p. 3
II.	Copies of Board Resolutions	p. 4
III.	Requisitions and Direct Pay Requests	p. 5
IV.	Personal reimbursements	p. 7
V.	Authorized signatures	p. 9
VI.	Accuracy	p. 10
VII.	Court orders	p. 10
VIII.	Confidential Information	p. 11
IX.	Rushes	p. 11
X.	Account codes	p. 11
XI.	Bills Requiring Prepayment	p. 12
XII.	How a Bill Gets Paid	p. 12
XIII.	Timeline	p. 13
XIV.	Appendix A: Travel Policy *	
	Appendix B: Guidelines for Reimbursable Travel Expense*	
	Appendix C: Credit Card Policy *	
	Appendix D: Airline Travel *	
	Appendix E: Telephone Credit Card Policy *	
	Appendix F: Cellular Telephone Policy *	

**\* Indicates policy as set by County Board Resolution**

## I. INTRODUCTION

The following pages contain general guidelines to follow when submitting documentation for claims presented for payment to the Douglas County Clerk/Comptroller's office.

**The purpose of these guidelines is to achieve the following:**

- a. **To provide a proper, fully documented audit trail for all transactions.**
- b. **To ensure accountability for the expenditure of County taxpayer funds.**
- c. **To assist County departments by clarifying audit requirements.**

Please follow these guidelines and call our office (**ext. 6759**) if you have any questions regarding the audit / payment process. Documentation submitted needs to include enough detail to create a paper trail for an auditor (internal or external) to determine what the claim specifically covers; assure that the claim is valid, properly authorized; and assure that any member of the public seeking information about a specific payment has all the necessary information.

We would be pleased to assist you with any questions regarding documentation required to process purchase orders/claims.

**Please keep in mind that submission of all required documentation will help avoid delays in processing the claim.**

**If you have questions or are unclear about the direction given in these documents, please call the Clerk/Comptroller's office at 444-6759 prior to submitting your claim for clarification.**

## II. Copies of County Board Resolutions

If a resolution has been passed authorizing payment of a bill, the resolution must be attached to the invoice **by the requisitioning department before** submitting the invoice for payment. If a monthly or quarterly payment is to be made to the supplier, it is only necessary to attach a copy of the resolution to the first invoice submitted.

### **When a Board Resolution is needed:**

- A. For contracted Services:

**Only the three entities/individuals listed below have statutory authority to enter into a contract for Douglas County:**

**The Board of Commissioners**    **The Purchasing Agent**    **The Election Commissioner**

When the Purchasing Agent has entered into a contract, there may or may not be a Board resolution pertaining to the expenditure. If there is, please attach it to the invoice or documents being submitted for payment. The Election Commissioner may enter into a contract only under specific statutory provisions and should seek County Attorney advice regarding when this applies.

- B. For all bids accepted and approved by the County Board, attach a copy of the acceptance bid resolution to the purchase order. If the purchase order is for goods and the amount is over \$20,000, the bidding process is required. A copy of the approving resolution will be sent to the appropriate departments. Please note the date and number of the resolution on the purchase requisition.

### III. Requisitions and Direct Pay Requests

**When using the requisition process, please provide adequate descriptions.** This information might include an invoice number, a description of the item, a serial or model number, dates of a seminar or the month/year of service. Purchasing will include this information on the purchase order. This will aid the auditor in matching any invoices to the purchase order.

Certain items may not require a requisition and must be submitted directly to Accounts Payable for payment. This process is known as direct pay.

The current guidelines, as promulgated by the Purchasing Agent, as to what is acceptable for direct pay are:

<b>Not Acceptable for Direct Pay</b>	<b>Acceptable for Direct Pay</b>
Material - Supplies	Personal reimbursement, parking, mileage, lunch
Repairs	Publications - Journals - newspaper subscriptions
Equipment / Machinery	Court ordered requirement
Services (janitorial, ground maintenance, etc.)	Attorney fees and other interfaces
Payless Office	Seminars
Contracted Items (services, supplies)	Fees For: License dues, notary, items that require professional license retention, petty cash
Utilities	
Food / Beverage	
Concessions	
Bread, Milk	
County Credit Cards	
Professional Services	

When submitting an item for direct payment, fill out a direct pay form. This form can be found on the County's Public drive. In providing the information on this form, it is important if you are using an existing supplier to include the supplier number and list the supplier name and address exactly as it appears in the Oracle supplier file. In the case of a new supplier or **site**, a supplier number may not be available. List the information exactly as it appears on the supporting documentation. This accuracy is important to ensure that duplicate suppliers are not created and ensure that correct suppliers are used. Suppliers can have multiple **sites** so accuracy of provided addresses is important. Any supplier information should be supported by the attached documentation and any associated contracts. Invoice numbers should be presented as they appear on the supplier's invoice and the descriptions should give a general view of each line item.

**ONLY ORIGINAL INVOICES ARE ACCEPTABLE.** Only original invoices are acceptable because when a photocopy of an invoice is attached, it is likely that the claim has already been paid. In order to assure that the original invoice reaches the Clerk/Comptroller's office when using the requisition process, please ask the supplier to send the invoice to the Douglas County Purchasing Department. Do not give your department as the billing location unless it will be paid as a direct pay.

A fax invoice may be accepted if the original invoice has been lost. The supplier must fax a copy of the invoice. The copy must include the fax footprint of the supplier with the supplier name, phone number, address and the date faxed to be acceptable.

**To avoid making a duplicate request**, please check to see if you have already created a requisition or direct pay request for a specific purchase. **It is the responsibility of the requisitioning department or the authorized signer on a direct pay form to assure that a duplicate supplier payment is not being requested.**

The invoice must contain enough detail to determine what services or goods were purchased. The "bill to" on the invoice **must be Douglas County or a Douglas County department.**

If the claim is for goods the invoice must state:

1. A description of the goods
2. The unit price
3. The number of items purchased
4. The supplier name and address

If the claim is for services the invoice must state:

1. The supplier name and address
2. An hourly rate, if applicable
3. Number of hours
4. The date(s) of the services
5. Resolution number and date, if applicable

If the claim is for a balance due from a prior order:

1. Attach a copy of the original invoice with any prior purchase order number noted.

The requesting department will be notified when documentation is needed if proper documentation is not provided.

#### **IV. Personal Reimbursements**

Personal Reimbursements may be processed as a Direct Pay request. Please be aware that Nebraska State Statute § 23-135 requires that all claims must be filed with the County Clerk within ninety days.

Proper documentation needs to be included with reimbursement requests. If the item was paid by check, the employee must submit a copy of the front and back of his/her canceled check. The copy of the front of the check is to show who the check was made payable to, when and by whom. The copy of the back of the check is to show that the check was endorsed and actually paid to the supplier.

If the employee's bank does not return canceled checks or a debit card was used, an itemized receipt must be obtained along with some form of documentation from the bank. Any fees charged by the employee's bank for this documentation are not a reimbursable expense. A proper receipt is an itemized receipt. Proper receipts will assure speedy processing of a reimbursement.

If the items were paid by a credit card, the employee must submit a copy of the credit card statement listing the charge. Douglas County has many credit cards and the statement serves to show that the charge was actually billed to the employee's credit card. Limits, balances and other non-related charges, may be blacked out. The County will need to be able verify the employee's name, card type, card number, related charges and dates.

Reimbursement requests for items that should ordinarily have gone through the Requisition/Purchase Order process may be placed on the County Board Agenda as Exceptions. **If an employee, elected official or department head would like a bill paid, but has not complied with established policies, they may make a request to have the claim placed on the Board of Commissioners agenda to be considered for payment as an exception.**

##### **A. Registration fees for conferences, seminars, etc.**

When possible, registration fees must be paid in advance as a direct pay. When prepaying, complete all information on the registration form. The signature on the direct pay form must be from someone other than the employee who will be attending the event. (Employees may not authorize expenditures for their own benefit.)

Employees personally paying for registrations should provide a receipt when requesting reimbursement. The receipt should state the employee's name, supplier name, description of the goods or services, the date and amounts.

If no receipt is available, the employee must submit a copy of the registration form and the copy of the front and back of his/her canceled check or credit/debit card statement. The copy of the registration form is to indicate the amount of the registration fee, the dates of the conference, and the name of the County employee attending. The copy of the check or statement again serves to validate that the charges were actually incurred by the employee.

B. Product Purchases

Product purchases should be made on a purchase order. It should be the rare exception that an employee is personally purchasing items for the County. If a product purchase is made without using the purchase order process, the employee must submit the original detailed receipt plus copies of the front and back of the check or any related credit/debit card statements. Please reference the County's established policies regarding the use of credit cards

C. Meals

Employees are required to carefully review the Douglas County Credit Card Policy and Guidelines for reimbursable Travel Expenses.

The County can only pay the cost of a meal for a County employee, or for those who are conducting County business. An example would be a member of a County-sanctioned board. Submit an itemized receipt from the restaurant and the supporting copies of any checks or credit/debit card statements. The receipt should contain the name of the restaurant, individual items, costs and date. On the Direct Pay form please indicate the nature of the business. If the receipt includes meal expenses for other individuals a list of the individuals must be provided, **The County cannot reimburse alcohol.**

D. Authorizing Signatures

An employee seeking reimbursement **cannot** be the person who authorizes payment. For example, if a reimbursement is for Jane Smith, Jane Smith cannot authorize the payment. This is true for the authorizing signatures on direct pay forms, travel forms and mileage sheets for employee reimbursement.

E. Mileage

Use the appropriate mileage form (Attachment 1). Required information for submitting mileage is the date of each segment, the beginning and ending address/location, the beginning and ending odometer readings, trip miles and total miles. Please note there are two signatures required on the mileage form. One is the employee seeking reimbursement and the other is the person authorizing the reimbursement. Reimbursement shall be at a rate allowed by Nebraska Rev. Statute 81-1176.

F. Travel Expenses

Employees are required to carefully review and follow the Douglas County Credit Card Policy and Guidelines for reimbursable Travel Expenses.

V. Authorized Signatures

The County Clerk/Comptroller's Finance Division keeps a list of the names and signatures of all County personnel who are authorized by elected officials and department heads to sign direct pay and reimbursement forms. This list is updated at the beginning of each fiscal year. If a signature on a direct pay form is not included on the master list, or does not match the signature on the master list, the elected official or department head will be notified and required to resolve the situation. There are two ways to rectify the situation-- by either updating the authorized signature listing or coming to the Clerk/Comptroller's office to sign any forms associated with the particular payment request.

## **VI. Accuracy**

Please check for accuracy in the information supplied on requisitions or direct pay forms

Some of the areas to be checked are:

- A. The name and address of the supplier on an invoice must be the same as the supplier on the purchase order, direct pay form and contract. If there is a separate remittance address, the supplier name and address on the purchase order/direct pay must be the same as the remittance address on the invoice.
- B. Check for mathematical accuracy to assure that computations are correct both on the invoice and the purchase order/direct pay form.
- C. The amount claimed must be the same as the amount on the supporting documents.
- D. Verify that Nebraska sales tax is **not** charged. If assessed, it must be deducted from the amount owed.
- E. Verify that appropriate discounts have been taken.
- F. Verify that the claim does not include a previous balance. It is our policy to only pay current charges. In order to pay a previous balance the original invoice for those charges must be presented.
- G. Claims for casual labor are not allowed. These individuals must be hired as temporary or permanent employees. Definition of an employee as per the Internal Revenue Services Circular E is stated below:

Anyone who performs services is an employee if you, as an employer, can control what will be done and how it will be done. This is so even when you give the employee freedom of action. What matters is that you have the legal right to control the method and result of the services.

## **VII. Court Orders**

Claims can be paid using court orders as the sole backup documentation. A copy of the original order must be submitted with the claim and must include the judge's signature, the docket and page number, the dollar amount, and the name of the payee.

## VIII. Confidential Information

All information on a claim is public record except information deemed confidential, information sealed by court order, and social security numbers. If such information is being submitted with a claim, please inform the auditors and attach the “Notice of Confidentiality” form (Attachment 3).

If the invoice being submitted includes patient name(s), medical information, or social security number(s), you must redact (black out) this information **prior to submitting the claim.**

Our office will not disclose any patient name, medical information or social security number related to any invoice or payment.

## IX. Rushes

**An invoice may be “rushed” for payment only in emergency situations.** Rush direct pay requests require the original signature (not a signature stamp) of the authorizing department designee. If the department is located outside of the Civic Center, the Clerk/Comptroller’s office will accept a fax copy of the invoice or direct pay form providing that the originals will follow in the mail. Our fax number is 444-6456.

Please note the Clerk/Comptroller’s office processes more than a thousand claims for payment each week. It is our belief that all suppliers to the county are entitled to equal treatment. This is why we process invoices on a “first in, first out” basis. Departments who abuse the rush process may cause invoices submitted by others to be delayed. Please see the accompanying “How a Bill Gets Paid” section for deadlines on processing claims and issuing checks. Understanding the processing deadlines better will aid in avoiding the abuse of the rush process.

## X. Account Codes

The account code assigned for an expense is meant to help determine how funds have been expended, assist in the budgeting process and to give an accurate accounting of all Douglas County expenditures. Expenses do come up for codes where money has not been budgeted. It is important to note that you may utilize expense codes even if you have not budgeted money to them. The amount will be charged to the department’s overall budget.

Auditors will check to ensure that proper expense codes are used. If an account code that is not consistent with the expenditure has been entered the invoice and or direct pay request will be returned for correction.

## **XI. Bills Requiring Prepayment**

When prepayment is required, please note “Prepayment Required” in the description field of your requisition or direct pay request.

## **XII. How a Bill Gets Paid**

The process by which a bill gets paid involves multiple steps and multiple departments. The following definitions may be helpful for your understanding of the process.

### **Definition of Terms**

#### **Requisition**

A requisition is a request for purchase, entered on line by a department’s representative.

#### **Direct Pay**

A request for payment of a qualifying expense, which bypasses the requisition process. This request is submitted directly to the Accounts Payable department via a direct pay form and attached documentation.

#### **Purchase Order**

An order created by the Purchasing Department for the procurement of a specific quantity of goods or services at a specific price. A purchase order can be created directly by the Purchasing Agent or from requisitions submitted to the Purchasing Department.

#### **Invoice**

A document received from a supplier that lists amounts owed to the supplier for the purchase of goods or services.

#### **Board of Commissioner Approval**

Upon completion of auditing and assignment of a claim number, the claim is presented to the Board of Commissioners for approval and the approving resolution is mailed to the supplier.

## How a Bill Gets Paid- Via the Requisition Process

- Step 1:** The department creates a requisition on-line. This occurs before the goods or services are ordered to assure that purchasing guidelines are followed. The requisitioning department must enter a description of the goods/services to be ordered. A hierarchy has been set up by Purchasing for each department to approve the requisition. If the department hierarchy does not approve the requisition, it is not submitted to purchasing.
- Step 2:** The Purchasing Agent finalizes the requisition and creates a purchase order. The Purchasing Agent checks periodically throughout the day to see if requisitions have been written and are ready to process. The Purchasing Agent may or may not finalize a requisition on the day the requisition is written.
- Step 3:** The department initiating the requisition will enter an on-line receipt when the items have been physically received.
- Step 4:** The original invoice is forwarded from the Purchasing Agent to the Clerk/Comptroller's office with any accompanying documentation.
- Step 5:** The Clerk/Comptroller audits the invoice and supporting documentation and enters and validates the invoice for payment.
- Step 6:** A listing of all payments to be issued by the Clerk/Comptroller is submitted for approval to the Douglas County Board of Commissioners at its weekly Tuesday meeting. Checks are issued and mailed after approval by the Board of Commissioners. Payments for invoices that lack necessary and appropriate documentation may be listed separately for the County Board's action or disposition as **exceptions**.

### **XIII. The Timeline**

The timeline varies depending on what day of the week an invoice and or request for payment is received and audited by the Accounts Payable Department. The following information may help you understand how long it will take a bill to get paid.

Requisitions are inputted Monday through Friday. The Purchasing Department processes requisitions and produces purchase orders Monday through Friday. The County Clerk/Comptroller audits items for payment Monday through Friday. **Unless held for receipt of required documentation**, rushes received in the Clerk/Comptroller's office before **10:00 a.m. on Friday**, with all required documentation attached, will be presented for payment the following Tuesday.