

**STOREY COUNTY ADMINISTRATIVE  
POLICIES AND PROCEDURES**

**NUMBER** 050  
**EFFECTIVE DATE:** 07-03-2012  
**REVISED:**  
**AUTHORITY:** BOC  
**COUNTY MANAGER:** PAW

**SUBJECT: Account Payable**

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- I. PURPOSE:** This policy describes the responsibilities and guidelines for processing expenditures incurred and disbursed for Storey County. Accounts payable are invoices for goods and services rendered to the County for payment. The term, invoice, refers to the original vendor prepared bill that must be submitted for payment. By paying invoices in a timely and accurate manner, the County maintains good relationships with the business community. The accounts payable process ensures that expenditures by the County are for the intended purposes as authorized in the budget by the Board of County Commissioners and are accurately posted to the general ledger.
- II. POLICY:** It must be the policy of Storey County to provide for the payment of bills/vouchers within the confines of Nevada Revised Statutes. The policy and procedures should be adhered to in order to ensure the segregation of duties between the preparation and entry of accounts payable transactions and the approval and release of payments.
- A. PAYMENT:**
1. Payments must be remitted to vendors within 30 days of the receipt of the vendor's invoice or the receipt of the purchased goods or service, whichever is later.
  2. When a dispute occurs, the 30-day time period does not start until the dispute is resolved. When a dispute occurs, the actions should be documented on the invoice or supporting documentation for audit review. The disputes can be either:
    - a disagreement concerning the quality or appropriateness of the received goods or services; or
    - damaged or inoperative goods.
  3. Payments are made only from original invoices. In cases where an invoice has been lost, an invoice has been faxed, or only a copy of the invoice exists and has not previously been paid, the initiating department must authorize payment through a payment voucher and attach the invoice copy.
  4. Statements are listings of outstanding invoices and are never used to process payments. Statements are a tool to determine if there are discrepancies between our records and the vendor's records. Exceptions must be authorized by the Comptroller or his/her designee.
  5. Missing Receipt(s) – A letter of explanation is required when no original documents are available after all reasonable attempts have been made to receive a copy. The letter should describe the expense, the date(s) of the expense and purpose, the name of the payee and address. The letter must be

signed by employee who incurred the expense and the department head or elected official.

6. Vendor payments made by check, the postmark date must be deemed the payment date.
7. Vendor payments made using electronic wire; the bank settlement date is deemed the payment date. This is the date the funds are deposited in the vendor's bank account.

**B. DEPARTMENT RESPONSIBILITY:**

1. Each department is responsible for verifying the calculations and accuracy of invoices for payment.
  - All non-reoccurring vouchers and purchase card expenditures over \$ 1,500 must be authorized by the office of the comptroller and County Manager. A Budget Request & Change Form should accompany all necessary information.
  - Comparison of quantities billed on the invoice with quantities listed on the purchase order or price quote form and shown on packing slips (receiving documents).
  - Comparison of prices, discounts, and terms with those specified on the purchase order or price quote form.
  - Proof of clerical accuracy of the invoice with respect to extensions, footings, and deductions of discounts.
2. Coding invoices to the appropriate budget line item that corresponds to the expenditures.
  - Requesting new expenditure categories as needed for proper coding from the County Manager or his/her designee.
  - Check for vendor number. If the initiating department is purchasing services or goods of a vendor not previously paid, the initiating department must have vendor/contractor complete and submit an IRS form W-9, Request for Taxpayer Identification Number to the comptroller's office.
3. Enter voucher in the County account payable system.
4. Authorized signatories approving invoices for payment.
  - This is a signature by those individuals who are elected officials, department heads or delegated the authority to approve expenditure documents and release disbursement transactions to the comptroller's office. Delegation must be in writing and submitted to the Comptroller or his/her designee.
  - Each department on a fiscal year basis, when personnel change, or personnel job duties change is required to provide the comptroller's office with an authorized signatory's letter.

5. Submitting invoices to the comptroller's office along with any supporting documentation in a timely and accurate manner.

**NOTE:** Procurement policy and procedures for purchases must also be followed if approval is required.

**C. COMPTROLLER OFFICE RESPONSIBILITIES:**

1. Reviews the voucher request:
  - a. Invoice or voucher supporting documentation, coding, and compliance with budget lines and county policies, for completeness;
  - b. Checks for vendor number. If the vendor is new, a vendor account will be set up per the W-9 and number assigned as appropriate;
  - c. Verifies that the required approvals have been obtained receiving invoices from departments;
  - d. If the voucher request is deemed not complete in accordance with this policy, the comptroller's office will take the following steps:
    - In the case of a minor problem such as an incomplete or misspelled name, incomplete address, invoice number, purchase order number, account number discrepancy or any data entry error. The Comptroller or his/her designee will communicate to the individual who authorized the voucher by telephone or email resolve the problem.
    - If required approvals have not been obtained the Comptroller or his/her designee will return the voucher payment request to department with an explanation of the problem and proposed corrective action within five (5) days.
    - If budget authorization has not been issued to cover expenditure or any problem that can not be resolved, the matter will be presented to the County Manager and he/she will make the final decision.
  - e. The comptroller's office reviews reports and invoices for accounts payable prior to posting to the general ledger and printing of checks.
  - f. A report is prepared with the approval of the Comptroller for payment of checks and is submitted to the Treasurer with checks printed to be paid from the general bank account.
  - g. A cumulative voucher sheet must be prepared along with a listing of accounts payable paid for ratification by the Board of Commissioners.
2. Manual check may be written when absolutely necessary. A request must be made in writing with the reason for a manual check to the y Comptroller for approval (*See form 050F*).

3. Replacement of a lost or destroyed warrants maybe issued as approved by the Treasurer if:
  - Upon the initial notice that a warrant appears to be lost and the warrant has not cleared the treasurer bank account; a stop payment has been established;
  - If the vendor or payee has not received the issued check and a reasonable delivery time has elapsed least two (2) weeks from the date of issuance.
  - If there is other evidence of a lost or destroyed status or the check date is older than 6 months.
  - The Treasurer must request the Comptroller to reissue the check.

County agencies must not submit a “new” payment request voucher asking that a second warrant be issued since this could result in a duplicate payment.

4. Check writing schedule is set by the Comptroller with the approval of the Board of County Commissioners. Invoices are generally paid twice a month, processing accounts payable invoices every two weeks alternating with the payroll processing.
5. Reclassification of Accounts Payable after Payment:  
If a department determines that a paid invoice has been incorrectly coded and/or posted to a budget line item, the department must prepare a request with documentation to reclassify the cost and submit it to the comptroller’s office within two (2) months of the date posted in the general ledger.
6. Fiscal Year End Cut-Off Procedures:  
At the end of June each fiscal year, fiscal year end cut-off procedures will be distributed to departments outlining deadlines for purchases and processing invoices for payment.
7. Late Payment Charges: Timely payment are requested to avoid late charges, however the Comptroller will approve payment of charges at his/her discretion.
8. Freight charges: Payment request on freight charges will be allowed only if destination is a Storey County government location and the charges are considered reasonable per the Comptroller.
9. Voucher Retention: The comptroller’s office must retain all payment request (e.g., vouchers) and supporting documentation provided for the period required by storey County record retention policies.

#### **D. TREASURER**

1. Treasurer is responsible for authorizing accounts payable registers to be paid from the bank.

2. Accounts payable checks are made available directly by the Treasurer when completely processed. Checks are mailed out to vendors and other payees unless specified otherwise by the department.
3. The Treasurer will only hold a check for three (3) working days if it was request that a check is to be picked-up in person, if time expires the check will be mailed out.
4. County warrants are required to be presented for payment within two (2) years from the date they bear, and upon their being unrepresented for two (2) year from such date; their payment must be forever barred (Per NRS 249.120).

**E. TAX EXEMPT STATUS:** Storey County has been classified as sales and use tax exempt. This exemption applies only to direct sales to the governmental organization, on the sale of tangible personal property purchased by Storey County for the organization's use and is not extended to individuals, contractors or lessees to or for such organizations.

**RESPONSIBILITY FOR REVIEW:** The Comptroller or his/her designee will review this policy every 5 years or sooner as necessary.