

		Policy # 1501
Subject: Accounts Payable Processing Policy		
Responsible Department: Department of Finance		
Effective Date: 02/2021		Revision Date:
Ben Lamera Director of Finance		Ann Edwards Interim County Executive

1. Purpose

This policy establishes guidelines and procedures for processing payments for goods and services on central purchasing contracts (PURA) and department approved contracts (PURB).

2. Authority

Sacramento County Code 2.56, Articles 1, 2, 3
Sacramento County Code 2.61.450
Delegated authority by the Board of Supervisors

3. Scope

The participating groups involved in the purchasing cycle are the department making a purchase, General Service – Purchasing Department, the vendor, and the Department of Finance, Auditor-Controller Division, Payment Services Unit (Payment Services). Each participating group is responsible and held accountable for their role in the purchasing process. The purchasing process originates from issuing contracts, to creating purchase orders, to confirming goods receipt, and ending with invoice receipt.

4. Procedures

A. General Services – Purchasing:

The County Charter and County Code assign the responsibility for purchases to the County Purchasing Agent. The County Purchasing Agent (Purchasing Agent) is responsible for purchasing policy and program direction, and managing the Contract and Purchasing Services Division (Purchasing).

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The Purchasing Agent is the final authority on most purchasing activities in the County, including activities which are undertaken by County Departments delegated by the Purchasing Agent.

Purchasing staff supports County Departments in key elements of the purchasing cycle. The Purchasing staff helps find and contract with viable sources of supplies and instructs the ordering departments and special districts in the cycle.

B. Department:

The purchasing department is responsible for researching and following the correct procedures prior to purchasing goods or services from a vendor.

The purchasing department creates the purchase order in COMPASS, using the appropriate documents as outlined in the Introduction to Purchasing in the Sacramento County manual located on the General Services webpage under Purchasing, and the COMPASS Centralized Purchasing manual. The purchasing department provides the vendor with the purchase order information.

When goods or services have been delivered and are acceptable, the purchasing department receipts the goods in COMPASS according to the procedures in the COMPASS Central Purchasing manual. The purchasing department then completes the Original Invoice Transmittal form located on the County intranet site, <http://inside.finance.saccounty.net/Auditor-Controller/Pages/Forms.aspx>.

The original invoice, with the purchase order number and line number notated, along with the completed transmittal form are forwarded to the Payment Services for verification and processing.

C. Vendor:

When an order is placed, the vendor receives a purchase order number from the County Department that is making the purchase. The vendor delivers the goods or services according to the request and issues an invoice. The vendor is required to include the purchase order number on the invoice.

D. Department of Finance, Auditor-Controller Division, Payment Services Unit:

Upon receipt of the completed transmittal form and the vendor's invoice, Payment Services is to enter the invoice in COMPASS within 10 working days from the date the complete invoice package is received in the Payment Services Unit.

Payments will be made in accordance to the payment terms listed on the purchase order/contract if the completed documents are submitted to Payment Services timely.

Payments may be delayed if:

- Information on the invoice is not complete or is inconsistent with the ordering and/or receipt document,
- Ordering transaction is not entered and posted,
- Goods receipt is not entered and posted,
- Vendor name or number is missing,
- Quantity received does not match the quantity invoiced,
- Vendor payments are blocked or withheld due to:
 - Missing payee data record,
 - Liens exist for vendor,
 - Subject to California non-resident withholding,
 - Bad Federal tax identification number

5. Review

Review annually and revise for any changes in guidance from the aforementioned authorities above.