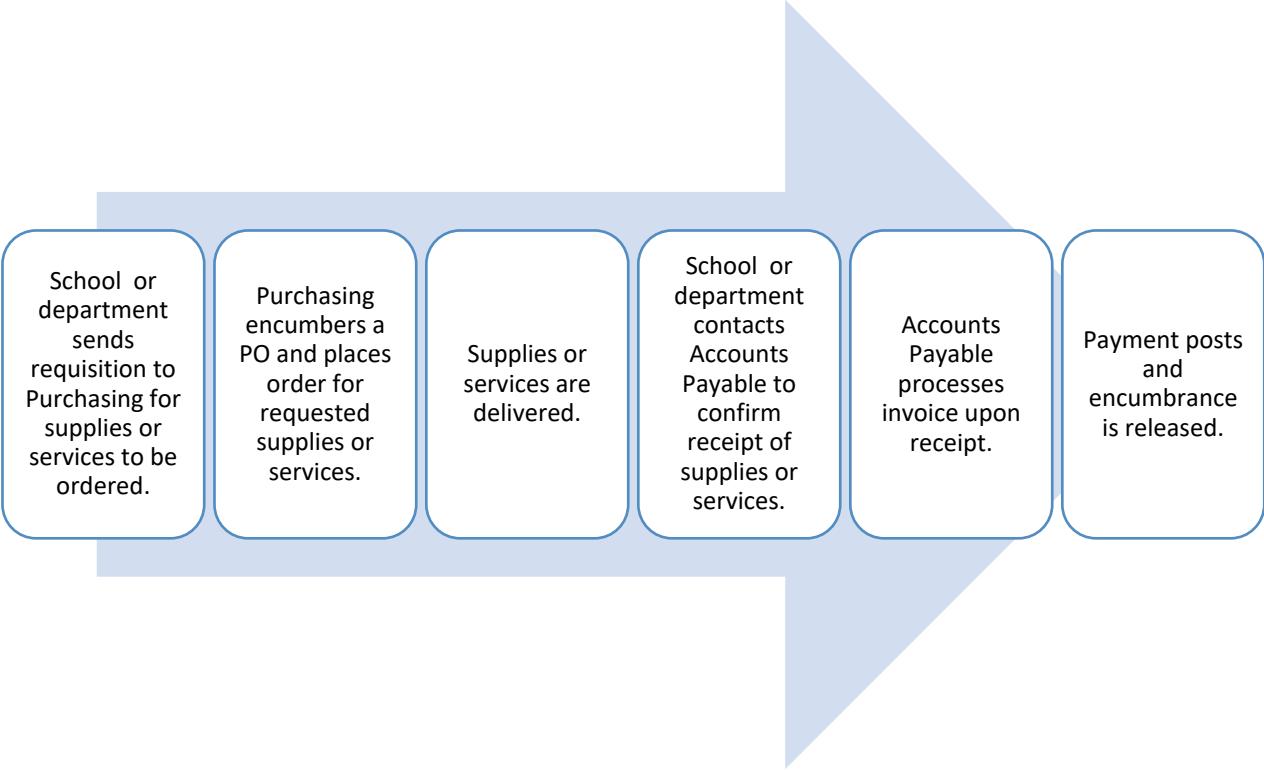


ACCOUNTS PAYABLE ADMINISTRATIVE GUIDE

It is important for vendors doing business with the Cambridge Public Schools to get paid on time. So Accounts Payable strives to process invoices for supplies and services as quickly and efficiently as possible. It is equally important for administrators (or their designees) open a purchase order (PO) before orders are placed or services are delivered and notify Accounts Payable upon delivery of those supplies and services.

Administrators can open a PO by submitting a requisition to the Purchasing department for the supplies or services to be ordered (see the **Purchasing** section of this Guide for more details). This creates an encumbrance equal to the total cost of the PO. The funds remain encumbered until Accounts Payable receives an invoice and payment posts for the amount due.

LIFE CYCLE OF A PURCHASE ORDER AND PAYMENT FOR SUPPLIES OR SERVICES



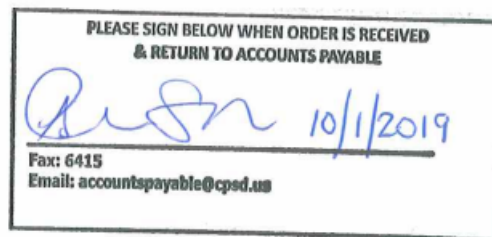
PAYING VENDOR INVOICES

INVOICES

Vendors typically send invoices directly to Accounts Payable via email at accountspayable@cpsd.us or the district's billing address which is 135 Berkshire Street in Cambridge, MA 02141. However, if you happen to receive an invoice, please forward it to Accounts Payable upon receipt to minimize payment delays.

CONFIRMATION OF RECEIPT OF SUPPLIES OR SERVICES

Purchasing sends each school/department a stamped PO copy (or “receiver”) once their requested order has been placed. Administrators (or their designees) must confirm receipt of supplies or services by signing the receiver and forwarding it to Accounts Payable per the example below.



Timely receivers are key. They provide Accounts Payable with the approval needed to process vendor payments and keep the district's accounts in good standing. Untimely receivers delay the payment process which can lead to service interruptions and credit holds for the entire district. Vendors may also refuse to do future business with the Cambridge Public Schools.

Please send receivers to Accounts Payable using one of the following methods upon receipt of your supplies or services:

- Email - accountspayable@cpsd.us
- Fax - (617) 349-6415
- Interoffice Mail - Attention: Accounts Payable

VENDOR PAYMENTS

Vendor payments are issued approximately 15 business days from the date that Accounts Payable has both an invoice and a receiver. Vendors registered with the City's EFT service get paid via electronic funds transfer. All other vendors are paid by check. Checks are issued at City Hall and

mailed directly to vendors per the billing address on their invoices. Although vendor payments are issued at the City level, you should contact Accounts Payable with payment status questions.

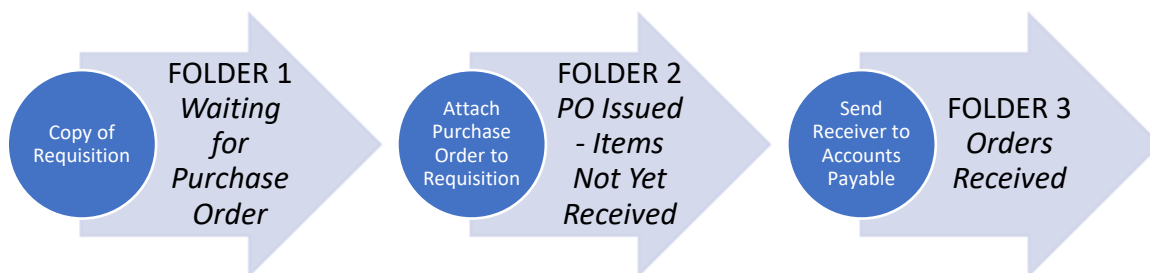
HOW TO EXPEDITE A PAYMENT DUE TO SPECIAL CIRCUMSTANCES

Please email accountspayable@cpsd.us if there is an unusual or special circumstance that requires expedited payment. Reference the vendor name, PO number, desired payment date and reason for the request as far in advance as possible. Accounts Payable will follow up with you and make every effort to fulfill your request in a timely manner.

RECOMMENDED PROCEDURES FOR TRACKING ORDERS

Accounts Payable recommends using the following procedure to keep track of your orders:

1. File a copy of each requisition or online order cart submitted to the Purchasing department in a folder labeled ***“Requisitions – Waiting for Purchase Orders”***.
2. Match each purchase order with its corresponding requisition or cart summary upon receipt. Attach the two documents and file them in a folder labeled ***“Purchase Orders Issued/Items Not Yet Received”***.
3. Inform Accounts Payable that your supplies or services have been received by submitting a receiver as described in the “CONFIRMATION OF RECEIPT OF SUPPLIES OR SERVICES” section above. Receivers give Accounts Payable the approval needed to process invoices for payment.
 - a) *If your order was received in full*, file a copy of the requisition/cart summary, PO and any supporting documents in a folder labeled ***“Orders Received”***.
 - b) *If you received a partial shipment or have an open PO*, send a copy of the receiver to Accounts Payable indicating that partial payment can be made. Then file the corresponding documents back in your ***“Purchase Orders Issued/Not Yet Received”*** folder along with a note on the receiver with the amount that has already been approved for payment. This will help you track the amount remaining on the purchase order.

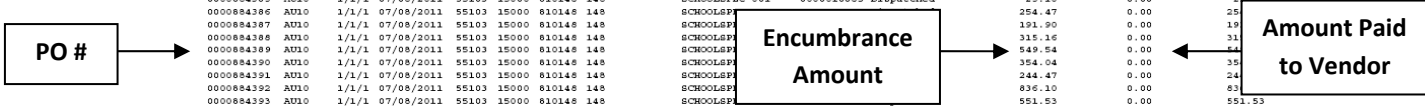


Special Note: Please contact Purchasing immediately if you receive an order that is damaged, inaccurate or missing items. Purchasing will assist you with the return/exchange process. Accounts Payable will ensure that your order is appropriately credited and the correct payment amount is issued.

MONITORING PAYMENT ACTIVITY

An Open PO Report (also known as the Procurement Activity Report) is emailed to principals and department administrators on a weekly basis. It is useful for tracking the status of your orders and monitoring payment activity. This report includes all open purchase orders and indicates the encumbrance amount. It only lists purchase orders with a balance greater than \$0.

PeopleSoft Purchasing PROCUREMENT ACTIVITY REPORT														
Report ID: CS_POSS3												Page No. 1 Run Date: 08/05/2011 Run Time: 12:30:55		
Business Unit: CPSMA		Fund From: 15000		DeptID From: 800000		Prog from: 000		Proj From: ALL		Acct From: 50000		Date From: 01-JUL-2011		
Minimum Amount >= 0.01		Fund To: 15000		DeptID To: 899999		Prog To: 999				Acct To: 59999		Date To: 05-AUG-2011		
PO ID	Ref	U/S/D	PO Date	Acct	Fund	Dept	Prog	Proj	Vendor	VendorID	Status	Original PO Amount	Paid Amt	Balance
0000885181	AWL0	1/1/1	08/03/2011	53404	15000	810148	148		IKONOFFICE-001	0000006394	Dispat	1,520.00	0.00	1,520.00
0000885207	AWL0	1/1/1	08/04/2011	53404	15000	810148	148		IKONFINANC-001	000040632	Pending	3,176.71	0.00	3,176.71
0000884375	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	549.88	0.00	549.88
0000884377	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	549.25	0.00	549.25
0000884378	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	545.62	0.00	545.62
0000884380	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	661.50	0.00	661.50
0000884381	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	431.63	0.00	431.63
0000884382	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	34.00	0.00	34.00
0000884383	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	5.34	0.00	5.34
0000884384	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	67.06	0.00	67.06
0000884385	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	25.10	0.00	25.10
0000884386	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	254.47	0.00	254.47
0000884387	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	191.90	0.00	191.90
0000884388	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	315.36	0.00	315.36
0000884389	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	549.54	0.00	549.54
0000884390	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	354.04	0.00	354.04
0000884391	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	244.47	0.00	244.47
0000884392	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	896.10	0.00	896.10
0000884393	AWL0	1/1/1	07/09/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	551.53	0.00	551.53
0000884394	AWL0	1/1/1	07/08/2011	55103	15000	810148	148		SCHOOLSPEC-001	000016885	Dispat	551.53	0.00	551.53
0000884607	AWL0	1/1/1	07/13/2011	55103	15000	810148	148		NEWENGLAND-012	000010729	Dispat	17.65	0.00	17.65
0000884649	055133	1/1/1	07/14/2011	55103	15000	810148	148		WPMASON-001	000015623	Dispat	3,455.00	0.00	3,455.00
0000884650	055132	1/1/1	07/14/2011	55103	15000	810148	148		HANDWRITIN-001	000006042	Dispat	172.98	0.00	172.98
0000884651	055132	1/1/1	07/14/2011	55106	15000	810148	148		EVAN-MOOR-001	000005176	Dispat	79.97	0.00	79.97
0000884652	055125	1/1/1	07/14/2011	55106	15000	810148	148		TEACHER'S-001	000014424	Dispat	576.06	0.00	576.06
0000884653	055131	1/1/1	07/14/2011	55106	15000	810148	148		EVAN-MOOR-001	000005176	Dispat	166.69	0.00	166.69
0000884654	055112	1/1/1	07/14/2011	55106	15000	810148	148		HEINEMANN-001	000006147	Dispat	862.50	0.00	862.50
0000884655	055118	1/1/1	07/14/2011	55106	15000	810148	148		NATIONALGE-001	000002123	Dispat	97.65	0.00	97.65
0000884656	055168	1/1/1	07/14/2011	55106	15000	810148	148		HANDWRITIN-001	000006042	Dispat	165.00	0.00	165.00
810148 Program Totals:												\$17,008.13	\$0.00	\$17,008.13
=====														
0000884657	055134	1/1/1	07/14/2011	54201	15000	810150	150		BAISTATEEN-001	0000002194	Dispat	142.26	0.00	142.26
810150 Program Totals:												\$142.26	\$0.00	\$142.26
=====														
0000884331	ANNUAL	1/1/1	07/07/2011	52702	15000	810740	740		CHCCOARLL-001	0000019677	Dispat	13,257.17	3,314.29	9,942.88
810740 Program Totals:												\$13,257.17	\$3,314.29	\$9,942.88
=====														



If a PO is listed on this report and the paid amount is greater than \$0 but less than the original PO amount, it may be because:

- A partial order was received, invoiced and paid. Accounts Payable must be notified once the remaining items are received so the balance can be paid accordingly.
- The full order was received, invoiced and paid. However, the invoice total was less than the encumbrance amount. Accounts Payable will work with Purchasing to return the balance to your budget once notified by an administrator (or their designee).

FREQUENTLY ASKED QUESTIONS

Q. Can I fax invoices to Accounts Payable?

A. No. The City Auditor will only approve payments to be made from original or electronic invoices. Please forward any invoices you receive to accountspayable@cpsd.us or to our department via interoffice mail.

Q. Should I send packing slips to Accounts Payable to confirm receipt of supplies?

A. No. Packing slips do not include all of the details Accounts Payable needs to process invoices for payment. You can confirm receipt of supplies by sending receivers to Accounts Payable via email, fax or interoffice mail.

Q. How long does it take for payment to be issued after I submit a receiver to Account Payable?

A. Payments are issued approximately 15 business days from the receiver date assuming that Accounts Payable has already received an invoice. Refer to your most recent Open PO Report to track payment activity. Contact Accounts Payable for assistance if an anticipated payment has not posted 20 business days or more from your receiver date.

Q. My order is complete but my most recent Open PO Report shows that a balance remains after partial payment. What should I do?

A. Please contact Accounts Payable to confirm that no additional payments are pending. If no payments are pending, Purchasing will return the funds reflected in the PO balance to your budget.

Q. Accounts Payable contacted me to confirm receipt of supplies or services that are past due for payment but my school/department has not received them. What should I do?

A. Contact Purchasing. Provide them with the PO number so the problem can be researched and addressed. Remember to update Accounts Payable once your issue has been resolved.

Q. What should I do if I receive an invoice that exceeds the amount encumbered (or available) in the PO?

A. Send an email to the Purchasing Department requesting that the PO be increased to pay the

Q. I changed my address with Human Resources when I moved. Why was my reimbursement check mailed to my old address? Why was I asked for another W-9 form?

A. The Human Resources/Payroll system is independent from the vendor system used to process employee reimbursements. So employees who move or are being reimbursed by the Cambridge Public Schools for the first time are required to submit a W-9 form directly to Accounts Payable.

GLOSSARY OF TERMS

Encumbrance: The obligated Purchase Order amount which is equal to the total cost of the goods purchased or the service contracted amount. Once an item is received or services provided, and a payment is made to the vendor, the obligated or encumbered amount will decrease by the amount paid or expensed.

Expenditure: Payment made to vendor or to an employee. An expenditure can occur through the payroll system (e.g. employee salary, a workshop stipend, additional compensation), through the Purchasing system (e.g. paying a vendor for supplies), or through an internal accounting entry (e.g. a reimbursement to another department or city agency).

Receiver: Signed and dated purchase order copy that should be submitted to Accounts Payable to confirm satisfactory receipt of supplies or services. Receivers may only be signed by school/department administrator or their designees.

Open PO: A purchase order that has not been completely expended.

Purchase Order (PO): A document that indicates types, quantities, and agreed prices for the products or services that you have requested and will be receiving. The purchase order acts as a legal offer (or promissory note) to buy the products or services and is sent to the vendor by the Purchasing Department.

Procurement Activity Report (also referred to as Open PO Report): A weekly email report that displays a list of open purchase orders. This report should be reviewed on a regular basis to ensure that purchase orders are reconciled.

Partial Payment: An authorized payment for satisfactorily received supplies or services when the order has been partially delivered and invoiced. The remainder of the order or service will be delivered and invoiced at a future date within the same fiscal year.

Requisition: A requisition notifies the relevant department of a request. It is important to note that there are multiple requisition forms.

- The **Staff Requisition** is used for posting positions or transferring staff and is available on TalentEd and is routed through the Budget Office and the Human Resources Department.
- The **Professional Services Requisition** form is used to procure services from consultants, non-profit organizations, mental health agencies, social service agencies, and other professional or technical service providers.

- A **Standard Requisition Form** is used to purchase supplies or any other services. Both of these requisition forms are available on the CPS website and are submitted to the Purchasing Department.
- The **Travel Requisition Form** is used to request approval for travel as well as reimbursement for costs that will be incurred during that travel. This form can be found on the CPS website and is submitted to the Office of Curriculum & Instruction.

ACCOUNTS PAYABLE CONTACT INFORMATION

Accounts Payable

135 Berkshire Street
Cambridge, MA 02141
Email: accountspayable@cpsd.us
Fax: (617) 349-6415

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Accounts Payable Coordinator
nmignott@cpsd.us
(617) 349-6450

Marybeth Schaffner
Accounts Payable Clerk
mschaffner@cpsd.us
(617) 349-6999