



ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY, LOS ANGELES

ADMINISTRATIVE MANUAL

**REQUEST FOR PAYMENT PROCESSING
POLICY 210**

The policies of the Associated Students Incorporated are in compliance with the regulations of California State University, Los Angeles, the CSU Chancellor and the CSU Board of Trustees as well as all applicable state and federal laws.

PURPOSE:

This policy addresses payment processing only. ASI has extensive rules, regulations, and policies regarding ordering, contracting, purchasing or bidding process. Please refer to Policy 216 – Contracts and Procurement for information on these areas.

REFERENCES

Funding Flowchart Procedure
Policy 021 – Record Retention Policy
Policy 216 – Contracts and Procurement
Policy 225 – Signature Authorization Policy

DEFINITIONS

Encumbrance – An approved amount of funds
RPP – Request for Payment Processing
Accruals – Estimates of payments to be incurred for a given period.

Encumbering Funds

ASI operations are strictly governed by approved budgets, and any request must be approved through this process.

This is a formal commitment of funds, recorded against ASI's budget. An encumbrance is required before an order or contract is issued.

ASI department heads are accountable for the funds entrusted to them. They have to ensure that funds are used effectively and efficiently for stated purposes. To discharge this responsibility,

they must establish and maintain an adequate internal control structure and documentation that provides reasonable assurance of fiscal and budgetary accountability.

No officer of the corporation shall commit ASI to a purchase without a completed and approved RPP.

Prompt Payment Requirements

- Qualified Vendors
 - o ASI must use vendors that are qualified to do business.
 - Vendors must have a business license and appropriate insurance.
 - Vendors must have an updated and valid W-9 on file with the Cal State LA Business Financial Office.
- Invoices are received via US Mail or email
- Employee or Staff reimbursement requests must be submitted within 30 days of expense incurred.
- Vendors must be paid within 30 days of the date on which ASI receives an invoice for work performed and accepted. If a dispute prevents ASI from meeting this requirement, that dispute must be documented.
- Employee and or Staff reimbursement requests must be paid within 30 days of the date on which ASI receives a request for reimbursement. If a dispute prevents ASI from meeting this requirement, that dispute must be documented.
- Request for Payment Processing (RPP) form must be filled out in its entirety and must have required signature of key personnel as listed in Policy 225 – Signature Authorization Policy. All supporting documentation must accompany the RPP before processing. Supporting documentation includes, but is not limited to:
 - o Original Invoice
 - o Performance Agreement or appropriate Contract
 - o List of names or department for which the expenses have been charged o Memorandums of Understanding
 - o Other supporting documentation that will provide justification of how the expense relates to ASI
- Request for Payment Processing (RPP) payment:
 - o Payment will be made via manual check or
 - o Payment will be made via the Purchase Card (based on approval process) o ASI does not issue electronic checks or cash payments.
- A complete list of accruals must be submitted by the 15th of June to ensure that expenses are properly reflected in the correct time period.
- Original invoices paid, with all the supporting documentation, will be filed in the Business Financial Office.

- Copies of all invoices processed with all supporting documentation, will be filed in ASI Administrative Office. Records will be kept as per Policy 021 – Record Retention Policy.

Internal Controls

The process for receiving, reviewing, and approving payments must follow good internal controls. This involves certifying that all transactions are valid, legal, and properly authorized.

ASI Administrative Office shall maintain a document tracking system to ensure proper processing of all requests.

The Office Manager will review all Invoices. The Executive Director will be notified immediately of any unexpected or unauthorized expenses.

Invoices are to be routed to the appropriate department manager for authorization prior to payment being issued. If the expense was not authorized or expense was not encumbered, the party responsible for that transaction may be held responsible for payment.

Segregation of Duties

Each part of the payment process of all transactions and supporting documents are accurately and properly recorded on the documents and records.

Segregation of duties requires that different staff have responsibility for different steps in the process. The same staff person should not do ordering, receiving, approving invoices and processing payment.

Policy History:

Approved: 04/19/07

Approved: 05/15/08

Approved: 11/29/12

Approved: 02/14/19