

Argyle Free Library: Accounts Payable Policy

POLICY STATEMENT

The purpose of Accounts Payable is to ensure that all Argyle Free Library funds are disbursed and recorded in accordance with generally accepted accounting principles. Accounts Payable is responsible for auditing and processing all invoices for payment.

Procedure

1. Review of Documentation

All supporting documentation including, but not limited to, invoices, vouchers, contractual agreements, and receiving reports will be reviewed by the Treasurer or their designee. Expenses will be reviewed by the Library Director to ensure they are being charged to the proper accounting budget category.

2. Payment Processing

The payment process involves the following:

- Proper supporting documentation such as invoice, contract, or accepted quote.
- Accuracy of payment: Goods and services must be in accordance with terms of agreement. Payments must be authorized expenditures and should match receipt or invoice. Anytime the payment amount deviates from the invoiced amount a note should be included in the record.
- It is the duty of each individual who makes a purchase to ensure that all steps in the payment process are followed in a prompt manner with proper authorization for transactions. If proper documentation is not included with the request for payment, the Treasurer will not process payment until proper documentation is received.

3. Advance Payments to Vendors

Goods and services provided to Argyle Free Library are generally paid after receipt of such goods and services. However, we will provide advance payment and services to known and reputable vendors. These include:

- Books, periodicals
- Maintenance service contracts
- Vendors who offer and demonstrate payment discounts
- Membership dues
- Seminar/conference registrations
- Utilities
- Payroll taxes (business taxes)

In those cases where advance payments are made, they should not exceed the approved annual budget amounts for the corresponding goods/services, unless approved by the Board of Trustees at a formal meeting.

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4. **Vendor/Contractors**

Independent Contractors must have the following forwarded to the Treasurer prior to the issuing of payment:

- Copy of contract, written agreement, proposal, invoice or quote acceptance.
- Certificates for Liability and Workers Comp Insurance, naming Argyle Free Library as additional insured.

5. **Credit/Debit Card**

Credit/debit card purchases should be recorded monthly and submitted to the Treasurer, along with any supporting documentation.

6. **List of Bills**

- The Treasurer will create a List of Bills prior to each scheduled Board of Trustees meeting. The List of Bills will contain all of the payments that are currently due.
- The List of Bills will be presented for approval at each Board of Trustees meeting. The Board of Trustees has the authority to remove any invoice from the List of Bills to prevent payment.
- Once the List of Bills has been approved by the Board of Trustees, the Treasurer will issue the approved checks.

7. **Records**

All records shall be kept by the Treasurer in compliance with the Argyle Free Library Retention Policy.