

Prepared by the Disbursing Office
This replaces Administrative Procedure A8.861
dated July 1996

A8.861
March 2006

A8.800 Disbursing/Accounts Payable and Payroll

p 1 of 9

A8.861 Authorization for Payment Form

1. Purpose

To provide procedures for the processing of payments on the "Authorization for Payment" form, FMIS-2 (Attachment 1).

2. Responsibilities

- a. Each campus/department office that processes payments on the Authorization for Payment (AFP) form must ensure that proper supporting documents are attached and that the transaction is in compliance with the procedures specified herein. The campus/department office must ensure propriety and legality of the payments.
- b. Fiscal Officers and Program Managers (Approving Authority) who approve AFPs are responsible for compliance with applicable Federal and State laws, rules, regulations and University policies and procedures.
- c. The Disbursing Office is responsible for auditing and processing of the AFP documents.

3. Guidelines

- a. The AFP form is used to process direct payments (including reimbursements) and refunds in excess of \$100.00 but should not be used to circumvent established methods to procure goods and services through the use of the basic procurement documents such as the purchase order, services contract, formal contract, etc. Additionally, the AFP should not be used if the use of a specialized form is more appropriate (e.g., Automobile Mileage, Travel, Relocation, Fellowship/Traineeship, Scholarship/Grant/Loan, etc.).

The AFP form is also used to process some payments on miscellaneous encumbrances. Miscellaneous encumbrance payments, direct payments, and refund payments must be processed on AFP forms with specific Account Code/Subcode requirements (Attachment 2).

- b. Direct payments of \$100.00 or less are processed on petty cash funds or departmental checking accounts (unless specifically restricted). Refunds are normally processed on departmental checking accounts. (Refer to A8.811 Petty Cash Funds - Overview and A8.844 Departmental Checking Accounts - Overview for details and exceptions.)
- c. An appropriate approving authority must sign and date the AFP to certify propriety/legality of the payment. The Fiscal Officer must sign and date the AFP to certify fund availability and compliance with procedures. The individual responsible for verification of satisfactory receipt of goods and services must also sign and date the AFP with some exceptions (i.e., not required for refund payments).
- d. Disbursing Office Document Requirements

The original AFP form is to be submitted to the Disbursing Office. All requests for reimbursements and refunds must be supported by proof of payments. The original (or certified as original) itemized invoices/receipts and other supporting documents are to be attached to the original AFP.

In situations where the payment involves multiple invoices which must be assessed against multiple account codes/subcodes, the amount charged to each separate account code/subcode combination must be indicated directly on the invoices and totaled. This is required to charge the payment amounts to the proper account code/subcode. Multiple invoices should be placed in invoice alpha/numeric order.

e. Aging Start Date

The "Date Invoice Received" and the "Date Goods/Svcs Received" are to be reflected on each individual invoice. These dates are critical in determining compliance with HRS 103-10 which specifies timing requirements of payments and the calculation of late payment interest. The voucher number "V" will be assigned by the Central Office.

f. P/F/N Indicator

If this payment is associated with a miscellaneous encumbrance, it must be coded "P" for Partial payment or "F" for Final payment. If a partial payment is indicated, any remaining encumbrance will be retained. If a final payment is indicated, the remaining encumbrance balance will be liquidated.

If this payment is a direct payment and there is no associated encumbrance, the P/F/N Indicator field must be coded "N" for direct payment.

4. Taxable Implication for Uniform Maintenance Allowance, Housing and Automobile Allowance

Uniform Maintenance Allowance FMIS-13 (Attachment 3), Housing and Automobile Allowance payments are considered wages-in-kind and are taxable. The departments should submit an extra copy of the FMIS-2 with supporting documents.

a. Employee Earnings Statement

Although both the Taxable amounts and Reportable (Non-Taxable) amounts are transmitted into the State Payroll System each pay period, only the Taxable amounts are reflected on the Employee's Earning Statements. The taxable allowances will be reflected in the "Wages-in-Kind" block. The withheld taxes will include both payroll withholdings and wages-in-kind withholdings.

b. Employee's W-2 Statement

The taxable amounts and the corresponding reportable (non-taxable) amounts related to employee business expense

payments will be reflected in separate sections of the statement.

5. Availability of Forms

The following PDF fillable forms are available on-line at:

<http://www.fmo.hawaii.edu/FMIS/formfair.html>

FMIS-2 Authorization for Payment

FMIS-13 Uniform Maintenance Allowances

**UNIVERSITY OF HAWAII
AUTHORIZATION FOR PAYMENT FORM**

| |
|-----------------------------------|
| DOCUMENT NUMBER A _____ |
|-----------------------------------|

| | |
|--|---|
| PAYEE'S NAME (Last Name, First Name, Middle Initial) | UH ID# |
| PERMANENT ADDRESS: _____ CITY: _____ STATE: _____ ZIP CODE: _____ | IF PAYMENT IS TO AN INDIVIDUAL, CHECK ONE OF THE FOLLOWING: <input type="checkbox"/> Regular Employee <input type="checkbox"/> Non-regular Employee (SCOPIS) <input type="checkbox"/> Non-Employee |
| DEPARTMENT | |

| VOUCHER NO. | VENDOR CODE | ACCOUNT CODE | SUBCODE | TYPE | P/F/N | AMOUNT |
|-------------|-------------|--------------|---------|--------|--------------|--------|
| | | | | 0 ↓ | | |
| | | | | | TOTAL | |

DESCRIPTION OF GOODS/SERVICES AND REASONS FOR PAYMENT: (include pertinent information such as nature of payment, period covered, compensation, receipts/invoice numbers, etc.)

As contractually authorized, all the materials, supplies and services have been received in good order and condition.

_____ / ____ / _____ DEPARTMENT/UNIT _____ TELEPHONE _____
 AUTHORIZED SIGNATURE OF DATE

APPROVED BY: _____ / ____ / _____
 APPROVING AUTHORITY DATE

_____ / ____ / _____
 FISCAL OFFICER DATE F.O. CODE _____

CENTRAL OFFICE USE ONLY

SPECIAL CENTRAL OFFICE APPROVAL _____ / ____ / _____
 APPROVING AUTHORITY DATE

**AUTHORIZATION FOR PAYMENT FORM (AFP)
TYPE OF PAYMENTS – CODING REQUIREMENTS**

| | <u>Account Code</u> | <u>Subcode</u> |
|--|---------------------|----------------|
| I. Payments on Encumbrances | | |
| Miscellaneous Encumbrances | | |
| 1. Payroll and Interdepartmental Charges (EXXX999) | SL | Object |
| 2. Various Direct Payment (PXXXXXX, TXXXXXX, MXXXXXX) | SL | Object |
| II. Direct Payments | | |
| (Note: Payments of \$100.00 or less are to be paid by petty cash/departmental check with some exceptions. Refer to A8.811 and A8.844 for details.) | | |
| A. Payment to Vendors: | | |
| 1. Utility Expenses | SL | Object |
| 2. Postage and Postal Charges | SL | Object |
| 3. Royalties and Commissions | | |
| a) State employees | SL | 2905 |
| b) Non-state employees | SL | 7105 |
| 4. Office of Research Services (ORS) | SL | Object |
| 5. Research Corporation of the University of Hawaii (RCUH) (Reimbursement for Service Order Projects/Revolving Fund User Projects) | SL | Object |
| 6. DHRD Sponsored Employee Training Classes - Registration Fees (DHRD Form 410, rev. 7/96) | SL | 7230 |

| | <u>Account Code</u> | <u>Subcode</u> |
|--|---------------------|----------------|
| 7. Special Project Advances (Cash Advances) | SL | 7101 |
| B. Payment to University Students/Faculty/ Staff/Representatives for reimbursement of official expenditures. | SL | Object |
| <p>(Note: Payroll payments and fee for service payments are <u>not</u> to be processed as direct payments on the AFP.)</p> | | |
| C. Transfer of Vacation Leave Credits | SL | 2071 |
| D. Uniform Maintenance Allowance | SL | 7246 |
| E. Automobile Allowance | SL | 4192 |
| F. Post Death Payments | SL | 2961 |

III. Payment of Refunds

(Note: Refunds may be processed
on departmental checks under
certain conditions. Refer to A8.844
for details.)

| | | |
|--|----|---------|
| A. Refund of Deposits (FIS A995) | GL | Various |
| <p>(Use Account Code/Account Control assigned to original deposits)</p> | | |
| B. Refund of Receipts/Revenues | | |
| 1. Current Year Receipt/Revenues | SL | Source |
| <p>(Use Source Code assigned to original receipts/revenues)</p> | | |
| 2. Prior Year Receipts/Revenues | SL | 9000 |

Exception: "P" and "F" funds for
Contracts and Grants Projects and

Account Code Subcode

State General ("G") funds - use
the codes specified above for "1.
Current Year Receipts/Revenues."

| | | |
|--|----|---------|
| C. Refund of unused portion of grants or other advances to government agencies and institutions (use Source Code assigned to original receipts/revenues). | GL | Various |
|--|----|---------|

UNIFORM MAINTENANCE ALLOWANCES

Department: _____ Warrant Distribution: _____ Date: ____/____/____
 Name of Preparer: _____ Telephone No.: _____ For the Period: _____
 Account Code: _____ Sub Code: 7246 Authorized Signature: _____

| | <u>Voucher Number</u> | <u>Vendor Code</u> | <u>Name (Last, First, Middle) (In Alphabetical Order)</u> | <u>UH ID No.</u> | <u>Type</u> | <u>P/F/N</u> | <u>Amount</u> | <u>PR#</u> |
|-----|-----------------------|--------------------|---|------------------|-------------|--------------|---------------|------------|
| 1. | | | | | 9 | | | |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| 4. | | | | | | | | |
| 5. | | | | | | | | |
| 6. | | | | | | | | |
| 7. | | | | | | | | |
| 8. | | | | | | | | |
| 9. | | | | | | | | |
| 10. | | | | | | | | |
| 11. | | | | | | | | |
| 12. | | | | | | | | |
| 13. | | | | | | | | |
| 14. | | | | | | | | |
| 15. | | | | | ▶ | | | |

TOTAL ALLOWANCE AMOUNT \$ 0.00

UNIVERSITY OF HAWAII AUTHORIZATION FOR PAYMENT FORM

| |
|-----------------|
| DOCUMENT NUMBER |
| A _____ |

| | |
|--|---|
| PAYEE'S NAME (Last Name, First Name, Middle Initial) | UH ID# |
| PERMANENT ADDRESS: _____ CITY: _____ STATE: _____ ZIP CODE: _____ | IF PAYMENT IS TO AN INDIVIDUAL, CHECK ONE OF THE FOLLOWING: <input type="checkbox"/> Regular Employee <input type="checkbox"/> Non-regular Employee (SCOPIS) <input type="checkbox"/> Non-Employee |
| DEPARTMENT | |

| VOUCHER NO. | VENDOR CODE | ACCOUNT CODE | SUBCODE | TYPE | P/F/N | AMOUNT |
|-------------|-------------|--------------|---------|--------|--------------|--------|
| | | | | 0 ↓ | | |
| | | | | | TOTAL | |

DESCRIPTION OF GOODS/SERVICES AND REASONS FOR PAYMENT: (include pertinent information such as nature of payment, period covered, compensation, receipts/invoice numbers, etc.)

As contractually authorized, all the materials, supplies and services have been received in good order and condition.

_____ / / _____ DEPARTMENT/UNIT _____ TELEPHONE

AUTHORIZED SIGNATURE OF DATE

APPROVED BY: _____ / / _____
APPROVING AUTHORITY DATE

_____ / / _____
FISCAL OFFICER DATE F.O. CODE

CENTRAL OFFICE USE ONLY

SPECIAL CENTRAL OFFICE APPROVAL _____ / / _____
APPROVING AUTHORITY DATE

UNIFORM MAINTENANCE ALLOWANCES

Department: _____ Warrant Distribution: _____ Date: ____/____/____

Name of Preparer: _____ Telephone No.: _____ For the Period: _____

Account Code: _____ Sub Code: 7246 Authorized Signature: _____

| | <u>Voucher Number</u> | <u>Vendor Code</u> | <u>Name (Last, First, Middle)</u> <small>(In Alphabetical Order)</small> | <u>UH ID No.</u> | <u>Type</u> | <u>P/F/N</u> | <u>Amount</u> | <u>PR#</u> |
|-----|-----------------------|--------------------|---|------------------|-------------|--------------|---------------|------------|
| 1. | | | | | 9 | | | |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| 4. | | | | | | | | |
| 5. | | | | | | | | |
| 6. | | | | | | | | |
| 7. | | | | | | | | |
| 8. | | | | | | | | |
| 9. | | | | | | | | |
| 10. | | | | | | | | |
| 11. | | | | | | | | |
| 12. | | | | | | | | |
| 13. | | | | | | | | |
| 14. | | | | | | | | |
| 15. | | | | | ▼ | | | |

TOTAL ALLOWANCE AMOUNT \$ _____