

Prepared by the Disbursing Office
This replaces the Administrative Procedure No. A8.861
dated November 1988

A8.861
July 1996

A8.800 Disbursing/Accounts Payable and Payroll

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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 form (AFP) 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 Authorization for Payments 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 Authorization for Payment 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 Authorization for Payment form is also used to process some payments on miscellaneous encumbrances.

Miscellaneous encumbrance payments, direct payments, and refund payments must be processed on Authorization for Payment forms with specific Account Code/Subcode requirements (Attachment 2).

- b. Direct payments of \$100.00 or less are processed on petty cash funds or imprest checking accounts (unless specifically restricted). Refunds of \$100.00 or less are normally processed on imprest checking accounts. (Refer to A8.811 Petty Cash Funds-Overview and A8.826 Imprest 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, cash advances).
- d. Disbursing Office Document Requirements

The original Authorization for Payment 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 totalled. This is required to charge the payment amounts to the proper account code/subcode. Multiple invoices should be placed in invoice alpha/numeric order.

For Uniform Maintenance Allowance and Automobile Allowance, payments are fully taxable. Therefore, submit an extra copy of the FMIS-2 with supporting documents for payroll withholding of appropriate taxes and wages-in-kind withholding (Attachment 3).

- 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 and Automobile Allowance

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. All of the various taxable business expense amounts 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. There will be NO separate W-2 Statement for mileage payments as has been the practice in the past.

5. Availability of Forms

Supplies of the Authorization for Payment Forms (FMIS-2) are available upon request from the Disbursing Office.

FMIS-2

CAMPUS: _____

DATE: ____/____/____
(MM/DD/YY)

UNIVERSITY OF HAWAII AUTHORIZATION FOR PAYMENT FORM

(Shaded items represent information to be completed by Disbursing. See reverse side for instructions)

DOCUMENT NUMBER

PAYEE'S NAME (Last Name, First Name, Middle Initial)	SOCIAL SECURITY NUMBER
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 ↓		

Deposit/Credit Information (Optional -- For internal notations)	TOTAL	\$
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ACCOUNT CODE	SUB CODE	VENDOR/SSN	AMOUNT

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.

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

APPROVED BY: _____

_____	_____
APPROVING AUTHORITY	DATE

_____	_____	_____
FISCAL OFFICER	DATE	F.O. CODE

GENERAL OFFICE USE ONLY

SPECIAL CENTRAL OFFICE APPROVAL _____

_____	_____
APPROVING AUTHORITY	DATE

UNIVERSITY OF HAWAII
 FORM INSTRUCTIONS
 AUTHORIZATION FOR PAYMENT FORM (FMIS-2)

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 Attachment 1

PURPOSE:	The information on this form is used to process direct payments (including reimbursements) and refunds in excess of \$100.00.
DATA ITEM	COMPLETION INSTRUCTIONS
	All fields must be completed unless noted as <u>optional</u>. Shaded items represent information to be completed by Disbursing. Refer to APM A8.861 for detailed policies and procedures.
CAMPUS	Enter campus code. Refer to Table A12.099.
DATE	Enter date form prepared.
DOCUMENT NUMBER	For direct payments, enter 6-digit document number after "A". First 3 digits, 3-digit Fiscal Officer code. Last 3 digits are sequential control number assignment. For contract (encumbered) payments, enter the assigned Contract Number.
PAYEE'S NAME	Enter name of Payee; vendor (company name) or individual (Last, First, Middle Initial).
SOCIAL SECURITY NUMBER	Enter payee's social security number (if individual).
PERMANENT ADDRESS	Enter permanent mailing address of payee.
REGULAR EMPLOYEE/ NON-REGULAR EMPLOYEE (SCOPIS)/ NON-EMPLOYEE	Mark appropriate box if payee is an individual. Regular employees are those hired on SF-5 or PNF and therefore include faculty, staff and most lecturers, graduate assistants, emergency hires, etc. All other employees are considered to be Non-Regular employees (e.g. casual hires, student assistants) or Non-employees.
DEPARTMENT	Enter department name.
VOUCHER NO.	Enter voucher number.
VENDOR CODE	Enter vendor code.
ACCOUNT CODE	Enter 6-digit account code.
SUBCODE	Enter 4-digit subcode.
TYPE	Predefined.
P/F/N	Enter "N" for direct payments. If a contract or miscellaneous encumbrance has been issued, enter a "P" for partial payment or "F" for final payment (any remaining encumbrance deleted).
AMOUNT	Enter amount of disbursement for each account distribution.
TOTAL	Enter total payment amount.
DEPOSIT/CREDIT INFORMATION	<u>Optional</u> . Enter information for internal notations only.
DESCRIPTION OF GOODS/ SERVICES AND REASONS FOR PAYMENT	Enter description of goods/services provided and indicate reasons for payments in detail, including as much pertinent information as possible (e.g. nature of payment, period covered by payment, rate of compensation, receipt/invoice numbers, etc.).
AUTHORIZED SIGNATURE OF RECIPIENT	The individual responsible for verification of satisfactory receipt of goods and services must sign and date form. Enter department/unit and telephone number of this individual.
SIGNATURES	Signatures and dates are required by the appropriate approving authority (e.g. Principal Investigator, Project Director, Dean, Director, etc.) and Fiscal Officer.
FOR CENTRAL OFFICE USE	Reserved for Central Office.

Submit the original Authorization For Payment Form and supporting documents to the Disbursing Office after approvals have been obtained.

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

	<u>Account Code</u>	<u>Subcode</u>
I. Payments on Encumbrances		
A. Miscellaneous Encumbrances		
1. Payroll and Interdepartmental Charges (EXXX999)	SL	Object
2. Various Direct Payment (PXXXXXX, TXXXXXX, MXXXXXX)	SL	Object
B. Contracts		
<p>Note: For Conversion From FIS to FMIS Prior FY 96</p> <ul style="list-style-type: none"> ●Continue to Utilize FMIS-2 (AFP) for FIS Contract Assigned Document Numbers ●Exception to Allow VAX Users to Utilize FMIS-2 (AFP) For All Contractual Payments 		
1. Formal Contracts (CCHXXXX, CCXXXX)	SL	Object
2. Other Contracts (CHCXXXX, CHXXXX, CHOXXXX)	SL	Object
<p>Current FY 97 and Subsequent Years must use Contract Encumbrance and Payment Form (CXXXXXX) and Contract Adjustment Form (CXXXXXX) for contract payments. (Refer to APM A8.839 Accounts Payable Processing)</p>		
II. Direct Payments		
<p>(Note: Payments of \$100.00 or less are to be paid by petty cash/imprest check with some exceptions. Refer to A8.811 and A8.826 for details.)</p>		
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

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

	<u>Account Code</u>	<u>Subcode</u>
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
7. Special Project Advances (Cash Advances)	SL	7101
B. Payment to University Students/Faculty/ Staff/Representatives for reimbursement of official expenditures.	SL	Object
(Note: Payroll payments and fee for service payments are <u>not</u> to be processed as direct payments on the AFP.)		
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 up to \$2,000 may be processed on imprest checks under certain conditions. Refer to A8.826 for details.)		
A. Refund of Deposits (FIS A995)	GL	Various
(Use Account Code/Account Control assigned to original deposits.)		
B. Refund of Receipts/Revenues		
1. Current Year Receipts/Revenues	SL	Source
(Use Source Code assigned to original receipts/revenues.)		

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

	<u>Account Code</u>	<u>Subcode</u>
2. Prior Year Receipts/Revenues	SL	9000
<u>Exception:</u> "P" and "F" funds for Contracts and Grants Projects and 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

19 UNIFORM MAINTENANCE ALLOWANCES

Department: _____ Warrant Distribution: _____ Date: _____
 Name of Preparer: _____ Telephone No.: _____
 Account Code: _____ Sub Code: **7246** Authorized Signature: _____

1.	Voucher Number	Vendor	Name (Last, First, Middle) (In Alphabetical Order)	Social Security No.	Type	P/E/N	Amount	PR #
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								

TOTAL ALLOWANCE AMOUNT \$ _____