

OFFICE OF THE SOLANO COUNTY SUPERINTENDENT OF SCHOOLS

Series 3000 – BUSINESS AND NONINSTRUCTIONAL OPERATIONS

Policy 3314

Payment for Goods and Services

The Solano County Office of Education (SCOE) recognizes the importance of developing a system of internal control procedures in order to help fulfill its obligation to monitor and safeguard resources. SCOE also desires to have invoices paid on time in order to take advantage of available discounts and avoid finance charges. SCOE shall not be responsible for unauthorized purchases.

To ensure that all payments for goods and/or services are properly made, the timely processing of claims and invoices is imperative. Requesting payment for goods and/or services should be done only after careful examination has been made to ensure compliance with the purchase order or contract specifications. Close attention should be paid to quality, quantity, price, and timing, since these factors may be the basis for refusal to pay for all or part of an order.

The Solano County Office of Education (SCOE) Business Services Department will not process payments to vendors if the amount requested exceeds the approved purchase order amount by ten percent (10%) or more, unless a purchase order revision accompanies the request for payment. The County Superintendent or designee may pay invoices in excess of previously approved purchase order amounts when the excess amount represents sales tax, transportation charges, or charges made for the detention of a shipment during loading or unloading up to 10% or \$50, whichever is less.

There are times when goods and/or services will be received in part. When this occurs, partial payment should be processed.

Business Services processes payments between SCOE and districts according to a published schedule. Budget managers should pay close attention to ensure that all payments to districts are processed according to the schedule.

Procedure

1. Full Payment to Vendor:

- a. Vendor provides goods and/or services in accordance with purchase order and invoices SCOE.
- b. Employee receiving goods and/or services verifies invoice against packing slip to ensure payment is only for items received. Employee contacts the vendor before requesting payment if there are any discrepancies on the invoice.
- c. Employee approves invoice for payment and sends invoice to Business Services along with signed receiving (pink) copy of purchase order.
- d. Business Services processes payment and sends warrant to vendor unless otherwise specified.

Note: In the event of an open purchase order or receipt of partial shipments, employee should request a partial payment. See the steps that follow.

2. Partial Payments

- a. Employee receiving only a partial shipment of goods and/or services or receiving goods and/or services on an open purchase order verifies invoice against packing slip to ensure payment is made only for items received.

- b. Employee approves invoice for partial payment and sends to Business Services along with a *copy* of the receiving (pink) page of purchase order.
 - c. Business Services processes the partial payment and mails warrant to vendor unless otherwise specified.
3. Revising a Purchase Order
- a. Employee requests from Business Services a purchase order change if, after the purchase order has been issued, it becomes necessary to make a correction or change in the budget code numbers or to increase the purchase order amount by fifteen percent (15%) or more.
 - b. Employee attaches a copy of the purchase order to the change request and obtains approval signature from the budget manager.
 - c. Employee forwards documents to Business Services for processing.

Payments Related to Construction

The Superintendent or designee shall ensure that requests for progress payments related to construction contracts are processed and paid within 30 days. Any improper request shall be returned to the contractor within seven days, together with a written statement of why the request is not proper.

Retention proceeds withheld by SCOE from payments to contractors for construction shall be released within 60 days after the construction or improvement is completed. In the event of a dispute between SCOE and the contractor, SCOE may withhold from the final payment an amount not to exceed 150% of the disputed amount.

Authorized Signatures

The Superintendent or designee may file his/her manual signature with the Secretary of State and may subsequently have a facsimile signature used when executing any instrument of payment. The facsimile signature also may be used to execute any public security, provided that at least one signature required or permitted to be placed on it shall be manually subscribed.

Legal Reference:

EDUCATION CODE

- 17605 Delegation of authority for purchases
- 42630-42651 General provisions - orders, requisitions and warrants
- 42800-42806 Revolving cash fund
- 42810 Alternative revolving fund
- 42820 Prepayment funds

CODE OF CIVIL PROCEDURE

- 685.010 Rate of interest

GOVERNMENT CODE

- 16.5 Digital signatures
- 5500-5506 Uniform Facsimile Signatures of Public Officials Act
- 8111.2 Definition of public entity

PUBLIC CONTRACT CODE

- 7107 Retention proceeds; withholding; disbursement
- 9203 Payment for projects costing over \$5000
- 20104.50 Construction progress payments

CODE OF REGULATIONS, TITLE 2

- 22000-22005 Digital signatures

Policy Cross-Reference:

- 3300 Expenditures and Purchases
- 3300.1 Purchasing Goods and/or Services
- 3312 Contracts
- 3314.2 Revolving Funds
- 3314.3 Using a SCOE Credit Card
- 3400 Management of District Assets/Accounts