


# The Catholic University of Eastern Africa

| TITLE  | AUTHOR                         |
|--|--------------------------------|
| <b>PROCEDURE FOR ACCOUNTS<br/>PAYABLES<br/>CUEA/DVC FIN/FIN/05</b>   | <b>SENIOR ACCOUNTANT</b>       |
|  | NO. OF APPENDICES:             |
|  | <b>3 (THREE)<br/>(A-C)</b>     |
| <b>AUTHORIZATION</b><br>This Standard Operating Procedure is issued under the authority of:  |                                |
| TITLE  | <b>FINANCIAL ADMINISTRATOR</b> |
| SIGNATURE  | <i>Brot</i>                    |
| DATE   | <b>23 February 2011</b>        |
| ISSUE DATE   | <b>23 February 2011</b>        |
| STAMP CONTROLLED / UNCONTROLLED  | <b>CONTROLLED</b>              |
| <b>NOTE:</b> <ol style="list-style-type: none"> <li>Write amendments on the page provided (Clause 0.2)</li> <li>Controlled copies of this document will be in the Senior Accountant and the Financial Administrators office</li> </ol> |                                |

## 0. CONTENTS AND RECORD OF CHANGES

### 0.1 Table of Contents

|          |    |  |      |              |
|----------|----|--|------|--------------|
| Revision | 00 |  | Date | 2 – Feb 2011 |
|----------|----|--|------|--------------|

|   |  |                           |
|---|--|---------------------------|
|  | <b>Standard Operating Procedure</b>    | <b>CUEA/DVC FIN/FIN/5</b> |
| <b>Title</b>  | <b>Procedure for creditors payment</b> | <b>Page 2 of 7</b>        |

|           |  |          |
|-----------|--|----------|
| <b>0.</b> | <b>CONTENTS AND RECORD OF CHANGES.....</b> | <b>2</b> |
| <b>1.</b> | <b>PUPROSE .....</b>                       | <b>3</b> |
| <b>2.</b> | <b>SCOPE .....</b>                         | <b>3</b> |
| <b>3.</b> | <b>TERMS AND DEFINITIONS.....</b>          | <b>3</b> |
| <b>4.</b> | <b>REFERENCES .....</b>                    | <b>3</b> |
| <b>5.</b> | <b>PRINCIPAL RESPONSIBILITIES .....</b>    | <b>3</b> |
| <b>6.</b> | <b>METHODS .....</b>                       | <b>3</b> |
| <b>7.</b> | <b>APPENDICES .....</b>                    | <b>4</b> |

7.1 Appendix A: Process Map

7.2 Appendix B. Supplier Payment Request Form A

7.3 Appendix C. Supplier Payment Request Form B


## 0.2 RECORD OF CHANGES

| No. | Date<br><i>(dd-mm-yy)</i> | Details of Changes |                         | Authorization |
|-----|---------------------------|--------------------|-------------------------|---------------|
|     |                           | <i>Page</i>        | <i>Clause/subclause</i> | <i>Title</i>  |
|     |                           |                    |                         |               |
|     |                           |                    |                         |               |
|     |                           |                    |                         |               |
|     |                           |                    |                         |               |

## 0.3 Distribution / Circulation

This standard operating procedure is available at relevant functions for authorized users.

|          |    |  |      |               |
|----------|----|--|------|---------------|
| Revision | 00 |  | Date | 09 – Feb 2011 |
|----------|----|--|------|---------------|

|   |  |                           |
|---|--|---------------------------|
|  | <b>Standard Operating Procedure</b>    | <b>CUEA/DVC FIN/FIN/5</b> |
| <b>Title</b>  | <b>Procedure for creditors payment</b> | <b>Page 3 of 7</b>        |

1. **PURPOSE:** The purpose of this procedure is to ensure smooth processing of supplier payments in an organized and timely manner.

2. **SCOPE:** This procedure shall cover all supplier payments

3. **REFERENCES:**

- 3.1 The CUEA Financial policies
- 3.2 ISO 9001:2008 Quality Management System Standard
- 3.3 CUEA QMM

4. **TERMS AND DEFINITIONS**

- 4.1 DOC. – Document
- 4.2 ADMIN –Administrator
- 4.3 AP -Accounts Payable
- 4.4 ACCPAC-Accounting package
- 4.5 LPO- Local Purchase Order

5. **RESPONSIBILITIES:**

The Financial Administrator shall have the overall responsibility to ensure that this procedure remains adequate and is effectively implemented.


6. **METHOD:**

6.1 The head of department shall upon receipt of goods and services from the supplier, record the delivery notes, invoice and statement from the supplier at the university reception from where the accountant shall pick them.

6.2 The AP accountant shall reconcile the supplier Statement against the supplier Ledger account maintained in the system for any Variances so that they are spotted early enough.

6.3 The AP accountant shall compare invoices and delivery notes received with LPO/Agreement/Contract to ensure that they are correct.

|          |    |  |      |               |
|----------|----|--|------|---------------|
| Revision | 00 |  | Date | 09 – Feb 2011 |
|----------|----|--|------|---------------|

|   |  |                           |
|---|--|---------------------------|
|  | <b>Standard Operating Procedure</b>    | <b>CUEA/DVC FIN/FIN/5</b> |
| <b>Title</b>  | <b>Procedure for creditors payment</b> | <b>Page 4 of 7</b>        |

- 6.5 The AP accountant shall contact the concerned HOD, Procurement office, and or the Financial Accountant for invoices that are not clear.
- 6.6 The AP accountant shall fill form A or B and attach invoice, delivery note and the LPO or agreement and process invoice in the system.
- 6.7 The AP accountant shall forward 6.6 above to the financial accountant for verification and posting.
- 6.8 The AP accountant shall circulate verified payment vouchers to various departments/ Concerned Offices for further approval (Refer to Payment Form A and B)
- 6.9 The AP accountant shall forward approved supplier payment vouchers to the payment accountant


**7.0 APPENDICES**

- 7.1 Appendix A: Process Map
- 7.2 Appendix B: Supplier Payment Request Form A
- 7.3 Appendix C: Supplier Payment Request Form B

|          |    |  |      |               |
|----------|----|--|------|---------------|
| Revision | 00 |  | Date | 09 – Feb 2011 |
|----------|----|--|------|---------------|





|   |                                 |                    |
|---|---------------------------------|--------------------|
|  | Standard Operating Procedure    | CUEA/DVC FIN/FIN/5 |
| Title   | Procedure for creditors payment | Page 7 of 7        |

Appendix C



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

A. M. E. C. E. A.

P.O. Box 62157

00200 Nairobi - Kenya

Telephone: 891601-6

**SUPPLIER PAYMENT REQUEST (FORM B)**

NAME OF SUPPLIER.....

ORDER NO.....

DELIVERY NOTE NO.....

| INVOICE NO. | ITEM DESCRIPTION | UNIT PRICE | INVOICE |
|-------------|------------------|------------|---------|
|             |                  |            |         |
|             |                  |            |         |
|             |                  |            |         |
|             |                  |            |         |
|             |                  |            |         |
|             |                  |            |         |
|             |                  |            |         |
|             |                  |            |         |
| GRAND TOTAL |                  |            |         |

Invoices verified by:.....Date:.....

Senior Accountant/ Financial Accountant

Confirmation of receipt of Goods/Services by:.....Date:.....

Head of Department

Payment Authorized by:.....Date:.....

Financial Administrator

Payment approved by:.....Date:.....

Rector / Vice-Chancellor

Note: This form shall be used for approval of Payments **above Ksh 300,000**. This thresh hold refers to a single or aggregate invoice value for a supplier.

CUEA/DVC FIN/FIN/05/fm2

|          |    |  |      |               |
|----------|----|--|------|---------------|
| Revision | 00 |  | Date | 09 – Feb 2011 |
|----------|----|--|------|---------------|