

LAPEER COUNTY COMMUNITY MENTAL HEALTH **Date Issued** 10/03/2007
Date Revised 03/20/12; 12/14/12; 02/04/19; 02/04/22; 06/18/24, 01/20/26

CHAPTER Fiscal Management	CHAPTER 06	SECTION 002	SUBJECT 50
SECTION Accounting	DESCRIPTION Accounts Payable Processing		
WRITTEN BY Michael K. Vizena, M.B.A. Executive Director	REVISED BY Emma McQuillan, MBA CFO	AUTHORIZED BY Brooke Sankiewicz, LMSW, CADC, CEO	

APPLICATION:

<input checked="" type="checkbox"/> CMH Staff	<input checked="" type="checkbox"/> Board Members	<input type="checkbox"/> Provider Network	<input checked="" type="checkbox"/> Employment Services Providers
<input type="checkbox"/> Employment Services Provider Agencies	<input checked="" type="checkbox"/> Independent Contractors	<input checked="" type="checkbox"/> Students	<input checked="" type="checkbox"/> Interns
<input checked="" type="checkbox"/> Volunteers	<input type="checkbox"/> Persons Served		

POLICY:

Lapeer County Community Mental Health (LCCMH) assures proper payments are made for services provided to LCCMH. The following guidelines for payment and filing of all accounts payable is used.

STANDARDS:

- A. No vendor is paid without receipt of an original invoice, which has been approved by the appropriate supervisory staff person.
- B. Invoices submitted for payment comply with federal and state regulations, including, but not limited to Health Insurance Portability and Accountability Act (HIPAA) and Michigan Mental Health Code requirements. Invoices and supporting documentation assures confidentiality of persons served.
- C. Accounting staff reviews all invoices and requests for payment to assure payments are consistent with contract agreements, charged to the appropriate cost centers, and properly calculated.
- D. The Chief Financial Officer (CFO) or designee reviews invoices to ensure all accounts are correct.

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E. The Chief Executive Officer (CEO) or designee reviews and authorizes all invoice payment requests. The CEO or designee signature is required for processing invoice payments.

PROCEDURES:

Accounts Payable staff prepares for bi-weekly payment of invoices as follows:

- A. Following the bi-weekly accounts payable schedule, preauthorized / prepaid bills, (e.g., contracted specialized residential homes, utility bills, residential leases, etc.) should be pulled from their designated files for payment processing.
- B. All invoices reviewed/approved by the supervisor are entered into the finance accounting software daily.
- C. The invoice is marked with a General Ledger number and Vendor number.
- D. All prepared bills are kept in a portfolio folder.
- E. Vouchers are reviewed by the designated fiscal staff person to assure accuracy and compliance with agency confidentiality policies.
- F. Vouchers are presented to the CEO or designee to be reviewed and signed.

After the CEO or designee's signature, Accounts Payable staff completes the following steps:

- A. All vouchers are scanned into the billing and finance folder and uploaded to the accounting system.
- B. When remittance advice is needed, a copy of the invoice is put in a stamped envelope and sent to the County Finance Department. The remittance advice is mailed with the check when processed.
- C. A vendor summary report is attached to the original vouchers and is taken to the County Finance Department to be filed with the County.
- D. An unpaid invoice report is given to the designated fiscal staff.

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- E. Checks are prepared by the County Finance Department and mailed from the County building.
- F. When the check register is returned from the County Finance Department, CMH checks are balanced with the County's check register.
- G. Copies of the checks are provided by the County Finance Department. Checks are separated and saved into the billing and finance folder and then uploaded to the accounting system.
- H. Check numbers and check dates are entered into the electronic medical record for invoices paid to contract providers for service delivery.
- I. The check register resides in the County General Ledger. Reports are generated to assure all checks are posted correctly.
- J. The payables report and check register are held until the report for the Board is completed.
- K. After the Board Expenditure Report is prepared, the check register and payables report are saved to the billing and finance folder.
- L. The Board Expenditure Report is submitted as an agenda item for the next meeting of the CMH Board of Directors for the review and approval of the listed expenditures.

EM:lr

Supersedes: #10/07018 dated 10/03/2007