STANDARD OPERATING PROTOCOL	
Subject: Invoice Process	SOP Number: 2019-DDS-SOP004
Responsible Program or Office: Department on Disability Services	Effective Date: 9/3/2019
	Number of Pages: 5
Cross References, Related Policies and Procedures, and Related Documents: Procurement Practices Reform Act of 2010 and The Quick Payment Act of 1984	

I.   Purpose

The purpose of this SOP is to outline a process to ensure invoices are processed and paid in a timely manner.

II.   Responsible Staff

Responsible staff includes Contract Administrators, Business Technicians, DDS Administrative Staff, Requisitioners, and Operations Supervisors.

III.   Protocols

A. Receipt of Invoice

1. **Invoices uploaded through the Vendor Portal of the Procurement Automated Support System (PASS)**

   a. All DDS contracted providers and vendors are instructed on their Purchase Orders (PO) to submit invoices through the vendor portal for e-invoicing.
   b. If contracted providers and vendors send invoices to DDS, the invoice is uploaded in MCIS and denied by the Contract Administrator (CA) reiterating the instructions outlined on the PO.
   c. There are a few exceptions recognized by the District that do not require invoice submission through the vendor portal. For example, Federal Express is exempt from using the vendor portal and submits invoices via the DDS invoice email inbox (see below).

2. **Invoices sent to the DDS invoice email inbox (Non PASS)**

   a. All DDS non-contracted vendors with RSA authorizations are instructed to send their invoices directly to the DDS invoice email inbox.
   b. Vendors with POs exempt from using the vendor portal, e.g. FedEx, will send

their invoices to the Office of the Chief Financial Officer (OCFO).

c. All invoices sent to the DDS invoice email box are uploaded in MCIS for review and approval by the CA for payment processing.

B. Processing of Invoice

1. E-Invoice in PASS

The process flow for E-Invoices starts with the CA, followed by the Business Technician (Receiver 1) and the Requisitioner (Receiver 2) who issues payment.

a. Approval by CA
   1. The CA will automatically receive a PASS notification when an e-invoice has been uploaded for approval.
   2. The CA must review PASS E-invoice voucher reports daily.
   3. The CA will approve or deny the voucher in PASS within 3 business days of receiving the PASS notification
   4. If the invoice is incorrect, the CA should deny the PASS e-invoice voucher with comments and contact the vendor by telephone to discuss the invoice discrepancies.
   5. If the invoice is correct, the CA will approve the PASS e-invoice voucher and the voucher is sent to Receiver 1.

b. Generate PASS PO receipt
   1. Receiver 1 must review the invoice status report daily for invoices to process in PASS within **1 business day of when it appears on the status report**.
   2. If a CA was not indicated on the PASS E-invoice PO, the PASS e-invoice vouchers will be sent to Receiver 1. If this happens, and Receiver 1 receives a PASS e-invoice voucher before it is approved by a CA, the Receiver 1 will add the CA in the voucher PASS approval flow.
   3. Receiver 1 will approve PASS e-invoice vouchers that have been approved by the CA and will create a PASS PO receipt for the exact same quantities as the PASS e-invoice uploaded by the vendor.

c. Approve PASS PO receipt
   1. Receiver 2 must review the invoice status report daily for invoices to process in PASS within 1 business day **of when it appears on the status report**.
   2. The receiver will approve the PASS PO receipt which will begin the payment process.

Summary of the PASS Process:

Process Step	Person Responsible	Time Frame to Complete Step
E-Invoice voucher is reviewed and either approved or denied	CA	3 business days
Approve E-Invoices that have been approved by CA and create PASS PO receipt	Receiver 1	1 business day
Approve the PASS PO receipt	Receiver 2	1 business day
For RSA payments, after PASS receipt is processed, follow up in System 7 to reflect the payment.	Receiver 1	1 business day

2. Invoices Submitted Via Email

a. Uploading invoice into MCIS
1. The designated DDS Administrative (Admin) staff must continuously check the invoice inbox daily for new invoices.
2. The Admin staff will log all invoices received in the DDS invoice email inbox into MCIS within **1 business day**.
3. The Admin staff will upload invoices received into MCIS and assign to the appropriate Contract Administrator (CA) for approval.
4. Once the invoice is uploaded in MCIS, the Admin staff will put a check mark next to the corresponding email in the inbox.

b. Approval by CA
1. The CA will automatically receive an MCIS notification indicating there is an invoice awaiting review and approval.
2. The CA must review the MCIS dashboard / status report daily.
3. The CA will approve or deny the invoice in MCIS within **3 business days of receiving the MCIS notification.**
4. The CA will indicate if the invoice is a RSA System 7 "direct pay" invoice.
5. If the provider invoice is incorrect, the CA will deny the invoice by clicking "Stop the Clock" and contacting the vendor by email or phone to discuss the invoice discrepancies.
6. If the invoice is correct, the CA will approve the invoice which is then electronically transmitted to Receiver 1.

c. **Invoices processed by Receiver 1**
1. For direct pay and/or System 7 invoices, Receiver 1 opens the invoice in MCIS and prepares the invoice to be batched in System 7 for direct pay.
2. For PO invoices exempt from e-invoicing, e.g. FedEx, Receiver 1 will create a PO receipt in PASS and will email the OCFO accounts payable technician a copy of the invoice along with the PASS PO number and receipt number
3. All other invoices in MCIS require a certification of service form to be completed and signed by an authorizing official. For instance, invoices not submitted within the respective fiscal year would need to process via certification.

Summary of the Non PASS Process:

Process Step	Person Responsible	Time Frame to Complete Step
Emailed invoice is uploaded into MCIS and assigned to the appropriate CA	DDS Admin Staff	1 business day
Invoice is reviewed in MCIS and either approved or denied	CA	3 business day
Invoice is either batched in System 7 for direct pay; or, A PO receipt is created in PASS and emailed to the OCFO accounts payable technician along with the PASS PO number and receipt number	Receiver 1	1 business day

C. Out of Office

1. PASS participants must delegate their authority to another PASS user as recommended by his or her supervisor.

2. MCIS approvers should notify IT of the dates he or she will be out the office to delegate their MCIS approval role to an appropriate staff person as recommended by his or her supervisor.

D. Internal Controls

1. All PASS users will complete a training class prior to gaining access to the system.

2. All persons reviewing, approving, and processing invoices in PASS and MCIS must check MCIS status daily.

3. Invoices with more than 10 business days lapsed are considered critical.

4. Critical invoices will be elevated to the supervisor for resolution.

5. All staff in the approval flow, and their supervisors, will monitor Outstanding Invoice Reports and PASS daily emails regarding approvals and rejections.

6. The DDS Provider Relations Supervisor, Business Services Supervisor and Business Services Unit Supervisor will review the process for approval and payment of invoices at least annually with updates made to this SOP accordingly.