

The background of the slide is a composite image. On the left, there is a large, circular seal of the State of West Virginia. The seal features a central figure of a pioneer holding a rifle and a plow, with a sheaf of wheat at his feet. The words "STATE OF WEST" are visible in a circular border around the top. Below the figure, the date "JUNE 20 1863" is inscribed. On the right side of the background, there is a photograph of the West Virginia State Capitol building, showing its prominent dome and classical architectural details. The entire background has a dark, semi-transparent overlay.

Audit Documentation

August 24, 2021

AGENDA

- Disbursement Documentation
- Paper check versus EFT
- Special Processing Forms
- Vendor Name Inconsistency
- GAXR – Processing Guidelines
- Vendor Statement Processing
- Document Attachments
- Reject Reasons
- Reminders
- Helpful Hints
- WWSAO.GOV
- Questions

Documentation

Three Elements:

- 1. Contract/Purchase Order – Memorialize Agreement**
- 2. Invoice – Breakdown of goods or services provided**
- 3. Receipt – Who received and how much**

Documentation

Contract/Purchase Order:

Economic terms

- Establish rates, quantity, time frame

Other terms

- Insurance/Workers Comp/Contractor License/Dispute resolution/etc.

Both parties must sign before beginning dates of service.

Documentation

Invoice Review:

- Match Vendor Name, Address – Identical
- Description, Quantity, and Unit Price of Goods or Services must match contract
- Invoice total matches Oasis
- Vendor Invoice Number (Best if provided by vendor)
- Dates of Service on invoice match Oasis and are within Contract period
- Certified Received and Approved Stamp with Legible Signature

Stamp – Certified and Approved for Payment

Please ensure all vendor invoices submitted contains a stamp stating:

“I hereby certify that the items/services have been received and approved for payment”

Please make sure it is signed with a legible signature (first and last name minimum). If the signature is not legible, the departments representative must print their name below the signature.

Documentation

Receipt

- Were the goods or services received in good condition
- Were they received in the correct quantity
- Who is accountable
- Required: Description, quantity, dated received, signature of receiver. Form also requires Vendor name and address.

Attached Manual Receiving Report or process on (RC) document

Paper check vs EFT

Updating processes to strengthen our internal controls, take advantage of time tested, reliable technology plus saving dollars and time

Approximately ten thousand checks are printed each week

EFT is a much faster, safer option

- Arrives in the vendors account two to three days after scheduled payment date
- Lowers cost
- No human intervention required
- No lost checks to be reissued
- Reduced theft, fraud risk

Paper checks vs EFT

Effective December 1, 2018, the State Auditor's Office reduced check printing from five days per week to one

- Checks are printed each Monday, being mailed on Monday or Tuesday, depending on volume
- No change in frequency of EFT files being transmitted – daily basis
- We encourage all vendors to accept P-Card or sign up for EFT

Paper check vs EFT

How to sign up for EFT:

- Go to WVSAO.gov
- Locate E-Payments Tab
- Company eVendor Agreement(Setup)
 - Instruction page and form provided
 - Submit completed form

Please encourage vendors to sign up!

Walk-thru, Special Handling - Paper checks

Issuance of Paper checks

Many State Agencies routinely request the Auditor's Office to expedite the audit, approval and advancement of payment warrants to the Treasurer's Office for processing and check issuance. If requested, a representative of the Agency can retrieve the check at the Treasurer's office, usually within a day or two. These requests are generally referred to as "Manual" or are otherwise marked for special handling or Agency pick-up. Requests to pick-up paper checks are numerous, require significant effort and intervention on the part of the Auditor's and Treasurer's Office. Most importantly, these requests weaken internal control processes designed to mitigate fraudulent activity.

Beginning **September 1, 2018** the current process will be discontinued. Any Agency needing an emergency, time-sensitive paper warrant will be required to send an e-mail request to **Auditing@WVSAO.gov** with the details (document number, vendor, amount, etc.) and most importantly, the reason for the request. Travel related expedited request for a paper warrant should be sent to **Pcard_Travel@WVSAO.gov**. The Agency will be notified if approved, request additional information or denied.

In addition, as a follow-up to communications from Auditor McCuskey in February and April, printing paper warrants for vendors will decrease to one day per week (Monday's). This new schedule will begin effective **December 1, 2018**. The first week of December, paper warrants will be printed only on December 3 (unless otherwise approved by the process for a manual paper warrant). There will be no change to the processing schedule for payments made via Electronic Funds Transfer (ACH/Wire). These changes **ONLY** affect the printing and distribution of paper payments. Daily electronic payments will continue as in the past.

Most vendors are currently receiving payment by the State P-Card, or Electronic Funds Transfer (ACH/Wire). However, many are still receiving paper payments. This process, the issuing of paper checks, is both expensive and risky, while utilizing Electronic Funds Transfer or P-Card to receive payments is much safer, faster, and generally provides much quicker access to funds for the Vendor.

Please contact all vendors who currently receive paper checks and ask them to visit www.wvsao.gov/ElectronicPayments and complete the form, Company eVendor Agreement (Setup) and fax to the number noted on the form.

The Auditor and Treasurer's office appreciate your cooperation and assistance in making the vendor payment process, safer, more efficient and cost effective for taxpayers.

If you should have any questions, please e-mail **Auditing@WVSAO.gov** or call the Auditors Office at 304-558-2251.

Special Processing Procedures

The request for **Manual** (Same day check) (11:00 am Deadline) and **Department Pickup** (HLD in the Disbursement Category). **Prior approval is required before submitting to level 6.** Please provide in your email request the following:

Completed (new) form attached to email request signed off by Department Administrator or CFO

- Vendor Name:
- Document Number:
- Detailed Reason for Request:
- Does the Vendor accept P-Card?
- Vendor set up for EFT?

When we receive your email request, the above information can assist in a faster response. Once approval is granted, please attach our approval email and the form to the payment request.

Please provide the information requested above in the body of your email to auditing@wvsao.gov

West Virginia State Auditor's Office

Request for Manual Check or Department Pick Up

*** REQUIRES PRIOR APPROVAL BEFORE SUBMISSION ***

Email prior approval request **must** be received by **11:00 am** for a Manual Request.

	Please check the applicable request(s) box:
<input type="checkbox"/>	Manual (Warrant is ready same business day and held) NOTE: You must check the "On Line Disbursement Request" box, set the Schedule Payment Date to today's date, and change disbursement category to HLD on the payment request for the Manual Warrant to process properly.
<input type="checkbox"/>	Hold the Warrant for Department Pick Up (HLD Disbursement Category)

Please list wvOasis Document Codes and Document ID Numbers:
(Example: PRM 2100000123 and GAX 2100000123)

List the specific, detailed reason why you need a Manual Warrant or
Check held for Department Pick Up:

REQUIRED APPROVAL - Department Administrator or CFO Signature/Date

West Virginia State Auditor's Office Request for Walkthrough Processing



Walkthrough (Payment request is reviewed the same day)

Note: This request does not allow a change in the disbursement category to HLD or SPEC. Request email deadline is 2:00 pm and this form must be attached to the GAX or IN header to be processed. If the payment is set to issue as an EFT and the scheduled payment date is not a future date, then the process will begin on the next business day. If the payment is set for a physical check, the payment will be issued on the next scheduled check disbursement run.

Walkthrough documents allowed will be limited

Please list wvOasis document codes and document ID numbers
(EX. PRM 1900000123, GAX 1900000123)

List the detailed reason why you are needing your payment to
walkthrough the Auditing process.

REQUIRED APPROVAL - Department Administrator or CFO signature and date

West Virginia State Auditor's Office

Agency Acknowledgement and Request to Process a Vendor Name Inconsistency Payment

Agency acknowledges and confirms the following vendor has been contacted in reference to a vendor name inconsistency between the attached invoice, Contract/Purchase Order or wvOASIS vendor file and that the vendor is taking the necessary steps to correct the discrepancy.

- Vendor Name as it appears on the following:

Vendor name on invoice:

Vendor name in wvOASIS:

Vendor name on Contract/Purchase Order:

- Date of Contact:

- Signature below confirms the attached vendor invoice is from the same vendor that provided the goods or services and remittance is being made to the correct party.

This approval form will be valid for a period of 60 days beginning on the date the Department Administrator or CFO signs this completed form. Invoices submitted past the 60 day period will be returned pending correction.

REQUIRED APPROVAL - Department Administrator or CFO signature and date

(Manual Signature Required)

(Date)

[Attach this completed form with the vendor invoice]

GAXR Processing

The purpose of this communication is to provide additional guidance regarding **GAXR (Revenue Refund)** document requests for payment. Below are guidelines to be followed in all GAXR submissions beginning April 1, 2019. This supporting documentation should be attached with each submission on a standardized form.

Standard form or forms be utilized with each submission

The forms need to include:

- Name and address of recipient
- Dollar amount
- Document reason for refund
- If amount differs from original amount paid - show how amount being paid was determined
- Legible signature (or print below signature) of Agency Representative authorizing payment
- Unique numbering scheme to be used in the vendor invoice number field

GAXR Processing

The last element needed on the GAXR document is proof/evidence of the original receipt of the funds by the Department issuing the refund.

Listed below are the approved methods of receipt:

- CR document number supporting deposit
- Scan of Zero balance bill from internal system
- Check number of received check from entity (**Do not include copy of check itself**)
- Screen print from internal system/tracking method that shows payment received

Reminder: Do not include any PII (Personally Identifiable Information) on any GAXR document

Vendor Statement Processing

The Auditors Office currently allows, on a very restricted basis, payment to be made from a summary statement with the referenced invoices attached. There is an increased risk for duplicate invoice payments when paying in this manner.

wvOASIS has an edit or automated control to prevent a duplicate payment from being processed. The system verifies that a vendor customer code and vendor invoice number combination do not repeat. When processing a payment request utilizing a statement the vendor invoice number used in wvOASIS will not match the vendor invoice number on the supporting invoices. Therefore, the supporting invoice could still be processed again if submitted separately.

Vendor Statement Processing

Effective August 16th, 2019 if a vendor's statement is submitted for payment, the following acknowledgement (**Signed by Department Administrator or CFO**) will be required or each invoice should be processed separately.

Agency acknowledges that a vendor's statement is being submitted for payment instead of separate invoices. We acknowledge the increased risk of duplicate payments and have instituted compensating controls, reviews, procedures to mitigate risk a duplicate payment may occur.

Document Attachments

Any attachments that are part of the purchase order or contract must be attached to the document header

Award Header (**AMA,APO,ACT**)

- Terms and Conditions documents (**Manually add attachment**)
- Pricing Attachments for master agreements with zero-dollar commodity lines (**Add pricing if not originally attached**)

Reject Reasons

Reject Reasons:

- Purchase Order/Agreement /Grant Award needed
- Address on invoice not matching Oasis
- Object Code Error
- Processing SWC Payments on a GAX Document
- Vendor Invoice Number Error
- PII Information is not Redacted
- Please make sure your Contract/Agreement is signed prior to the Effective date/Start date of goods delivered or service provided

Reminders

Reminders:

- Make sure attachment are in Black and White
- Please name PDF attachments names that identify contents
- Please make sure reimbursable grant payments have required supporting documentation attached.
- Please do not include copies of encumbrance documents on (IN) documents such as ADO, GRTAWD, APO, etc.

Reminders

Reminders:

- Prior email approval required on HLD and Manual request forms by emailing auditing@wvsao.gov
- Vendor name and address cannot be modified by department or vendor. Add VNI form(Vendor name) or new vendor invoice needed
- Invoice adjustments for item description, rate correction, math error, etc. Can be adjusted but must be manually initialed

Helpful Hints

Why your payment did not disburse:

- Future scheduled payment date
- Once a week check writing
- Check fund cash balance

Limit number of (IN) documents on a PRM/PRC document.

Only one (IN) on a Construction PRM/PRC document

Check your PRM/PRC documents for possible rejections

Questions concerning how to add encumbrance documents or need for a new sub-object code please email, financeteam@wvoasis.gov

Auditing Tab

- Special Processing Forms
- Vendor name inconsistency form
- Invoice Number and Service Dates Policy
- Department Administrator/CFO/Dues Update form
- Daily Reporting of Payment Processing
- **(UPDATED – Effective 5/15/21)** - TITLE 155-01 Rules for Auditing
- **(NEW - Effective 03/29/21)** - Independent Contractor Form – Determine if employer/employee relationship should be independent contractor or paid through HRM payroll. Form required if paid through Financials

Independent Contractor Form

IRS guidance to determine employer/employee relationship or independent contractor designation can be found at:

<https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>

-or-

<https://www.irs.gov/newsroom/understanding-employee-vs-contractor-designation>

If your department has determined the relationship is an employer/employee relationship, the worker should be paid through the HRM application as wages.

_____ has reviewed the relationship between the worker and
Department Name

Department and has determined this payment to _____ meets the
Name of Worker

IRS requirements to remit payment as an independent contractor instead of an employee.

Prepared by Printed Name

CFO Signature

Date



Questions???

Auditing@wvsao.gov