Policy memo:

Subject:	Accounts Payable
Date:	September 2026
Department:	Business Office
Approved by:	CFO / President

This policy is subject to review, and may be changed (with the approval of the President) at any time. Any amendments / additions that have been approved will be included in a revised version of this document and posted on the University website.

Accounts Payable represents money that the University is expecting to pay to third-party vendors and suppliers or other entities where payments are due based on a commercial relationship with the University, and when the goods or services were not paid in full at the time of the transaction. As such, it is a *liability* on the balance sheet. The Payable is increased when the amount owed by the University increases. To show an increase in accounts payable a *debit* entry is made in the journal. It is decreased when these amounts are settled or paid-off – with a *credit* entry.

Accounting for and recognition of Accounts Payable must comply with all Federal, state, and University requirements. All departments and central offices that manage and recognize Accounts Payable on behalf of the University must ensure that: Appropriate internal controls and sound financial business practices are adopted for the recognition and management of Accounts Payable.

The University manages and recognizes Accounts Payable in accordance with accounting principles generally accepted in the US ('GAAP'), and other applicable regulatory requirements.

If the University is in doubt about whether an internal policy or procedure is in compliance with GAAP and all other applicable regulatory requirements, the University will consult the University's Auditor at the time for clarification.