



# Payment Processing Tips

## Follow Written Procedures

Create and enforce step-by-step procedures outlining agency processes and policies to help reduce errors and the risk of internal and external fraud.

## Test Your Written Procedures

Make sure your procedures are adequate to detect internal and external fraud by testing your procedures periodically.

## Segregate Duties

Implement internal controls designed to prevent errors and fraud by ensuring that at least two individuals are responsible for the separate parts of any task.

## Perform Quality Control

Have actions reviewed for accuracy by a co-worker or manager.

## Validate Invoices Against Contract Terms

Before making a payment-related change in a system, make sure it is in accordance with the current contract. Pay attention to changes in name, address, account information, frequency or amount.

## Review System Reports Daily

Staff should review direct deposit, payroll and Texas Identification Number System (TINS) unprocessed reports daily to ensure proper processing and monitor for signs of potential internal or external fraud.

## Research the Vendor in TINS Before Issuing Payment

Is the correct mail code being paid? If there are direct deposit instructions, do they reflect the verified payee's account? Does your internal system differ from the information in TINS? If something doesn't seem right, seek input from a supervisor.

## Confirm Direct Deposit Changes

Employ professional skepticism. Be wary of unusual or urgent requests and any email or fax requesting banking changes. **Always confirm change requests directly with the vendor**, using your agency's established records for contact information or a verified business telephone number.

## Attend Training

Go to payment system training classes. Ensure that any internal training is up to date.

