Account Payable Overview Course

- Ramon Mira

- Welcome and Introductions
- Logistics
- Ground Rules
- Course Objectives
- Course Content

	Chapter Description
1	**AP Integration with Procurement**
2	**Invoices and Credits Memos Overview**
3	**Travel and Vendor Reporting Overview**

By the end of this class, you will be able to:

- Describe 3 way matching
- Describe encumbered and non encumbered invoices
- Describe Filenet integration with SAP
- Describe Work Distribution with SAP
- Describe PO Based Invoice Processing
- Describe Non-PO Invoice Processing
- Describe Credit Memo processing
- Travel Related Payments
- Describe Vendor Reporting

	Chapter Description
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- Describe 3 way matching
- Describe encumbered and non encumbered invoices
- Describe Filenet integration with SAP

Current Process	Future Process
When receivers are not entered by locations or schools they prevent posting of invoices	Invoices will be posted but will not be paid until Goods Receipt is performed. Schools will receive an email saying no Goods Receipt is present
Only selected encumbrances carry over into new fiscal year. Funding expiration delays payment of invoices	The process will remain the same encumbrances only selected encumbrances carry over into new fiscal year. The encumbrance is dependent on carry over policy of underlying fund
Vendor Data on PO may be different than Vendor Data on Invoice which requires modification.	A different Address on Invoice will not delay entry of Invoice into system. Alternate addresses should already be in the Vendor Master Data

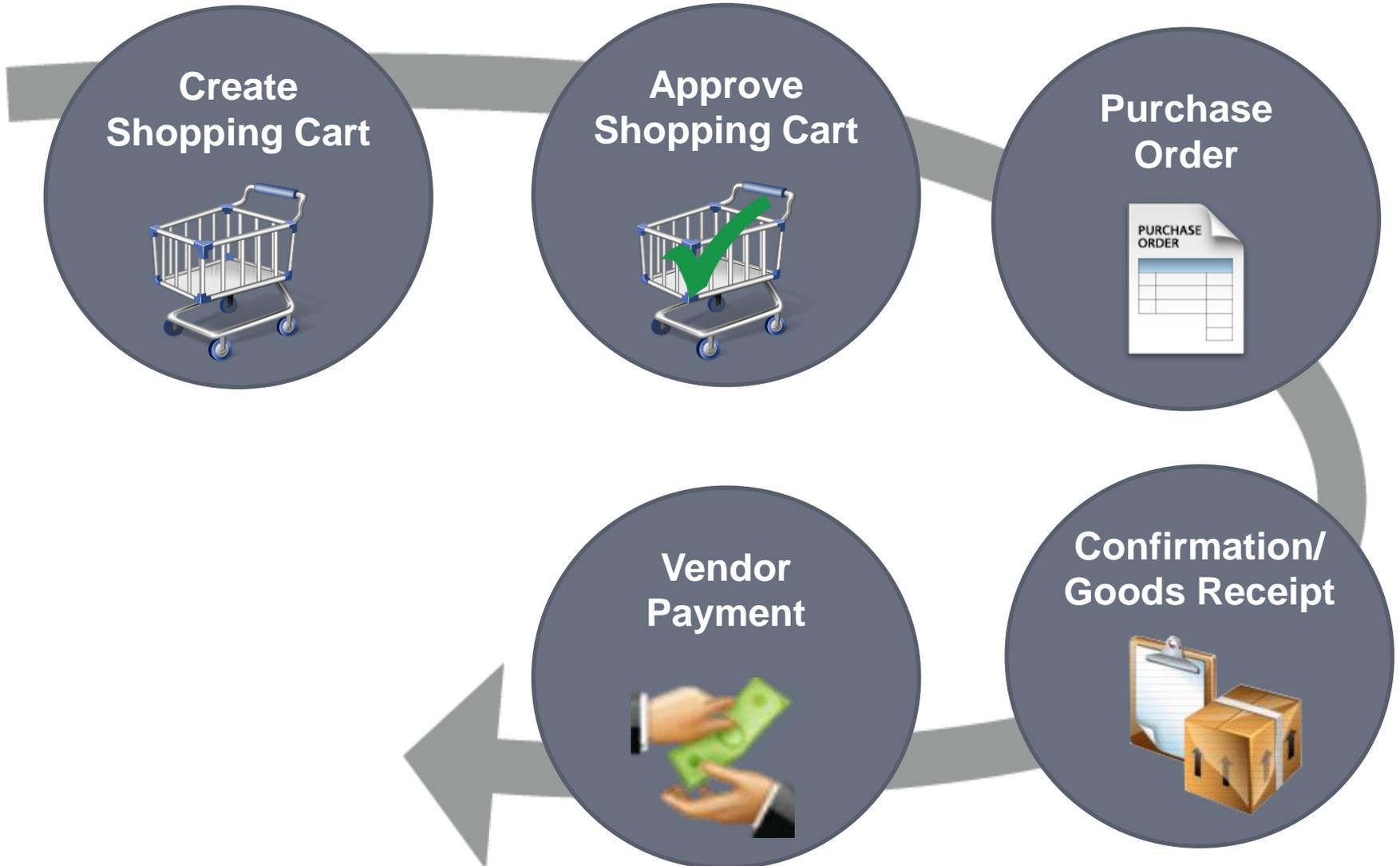| Current Process	Future Process
PO Based Invoices are entered manually into IFS from FileNet	PO Based Invoices will be automatically transferred from FileNet to SAP. Minimal data entry required
Difficult to Identify and track credit memos-Not Posted until ready to apply.	SAP tracks documents by giving them a document type. Credit memos have their own document type and will be posted as they come in.
Filenet is Document Management System	Filenet will remain Document Management System

Current Process	Future Process
IFS is System of Record for Payments	IFS will no longer be used to record invoices or payments. It will exist only to review history and will contain information only up to when SAP is turned on.
Funds Availability Check is performed when invoice is being processed for payment	Funds availability will be checked several times to ensure funds are available upon Invoice entry. The previous problem of funds not being available when an PO Based invoice is entered should be non existent.

Current Process	Future Process
Travel related forms are incomplete and missing approvals and forms	The travel process has changed and several checks have been put in place to encumber funds and to ensure approvals and forms are complete. Travelers will still need to provide supporting documentation such as hotel folio and receipts for reimbursements
Most documents are paper based and require wet signatures and physical approvals	The approvals will be routed automatically for approval. Schools will provide supporting documentation via email or paper
Difficulty in accessing vendor account detailed information	Fast and easy historical reporting

Training

Create Shopping Cart

Approve Shopping Cart

Purchase Order

Confirmation/ Goods Receipt

Vendor Payment

PO Based Invoice Verification Process:

Three-way-match functionality: goods receipt matches purchase order and invoice.

3-Way Match

| Goods Receipt | = | Purchase Order | = | Invoice |

- **Each location will perform goods receipt**
- **An invoice can be entered by Accounts Payable without a goods receipt**
- **An invoice entered without a goods receipt will trigger an email to location warning of no receiver**
- **An invoice cannot be paid unless goods receipt is entered**

Missing Goods Receipt E-mail
An Automatic e-mail reminder is sent when an invoice is processed and a Goods Receipt is missing.

Funding for PO Based Invoices will be encumbered before the invoice is received

Create Shopping Cart

Approve Shopping Cart

Encumbered

Purchase Order

Vendor Payment

Confirmation/ Goods eipt

- **FileNet will remain as the Document Management System**

- **FileNet will be updated nightly to stay in sync with changes to Vendor and PO information**

- **Only Invoices that can be posted based on PO and Vendor validation will be allowed to be sent to SAP**

- **FileNet will keep Invoices that require further data evaluation**

- **FileNet will link to SAP and will display the scanned invoice automatically when the invoice is worked in Universal Work List**

Filenet Invoice Displayed Alongside SAP

- **Accounting Structure Example: Bryson Elementary**

IFS	Fund 001	Org 2589	Location 2589		Program 4170		Object 4310

| SAP | Fund 010-0000 | Cost Center 1258901 | | Functional Area | | | GL Account 430010 |

Functional Area

Goal 1110-	Function 1000-	Program 14170
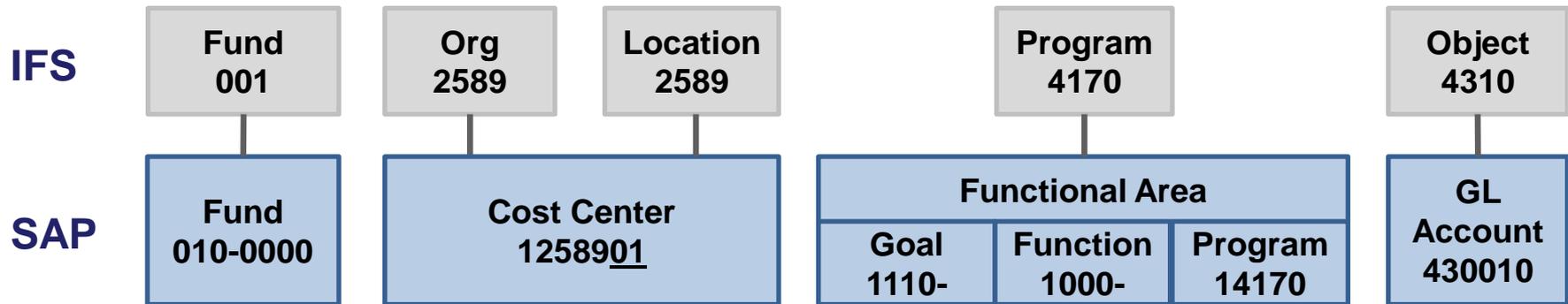
IFS	SAP	Changes
Fund	**Fund**	Dropt first 0, add a 0 at the end separate with a dash (-)
Object	**GL Account**	numbering scheme?
Location	**Cost Center**	Add a "1" in the last two digits identifies the primary location by "01" or "02" secondary location (i.e., magnet school)
Program	**Functional Area**	SACS (Standardized Account Code Structure) Goal-Function-Program

Training

Account String Wizard

| Menu | ◀ | [ ] | Back | Exit | Cancel | System | Choose |

Fiscal Year **2013**   ☐ Include Budget Only Values

IFS Account String
➡ IFS-SAP

Fund	001
Area	
Contrived Location	
Administered Program	
Organization	2589
Program	4170
Object	4310
Sub-Object	
Balance Sheet	
Revenue Source	
Job	
Project	
Phase	
Sub-Project	

SAP Account String
⬅ SAP-IFS   ❓ Help

Fund

Fund	010	General Fund
Resource	0000	Unrestricted

Functional Area

Goal	1110	Regular Education, K-12
Function	1000	Instruction
Program	14170	IMA-Schs

GL Account	430010	Instr Material-General Purpose

Cost Center	1258901	Bryson EL

Internal Order	

WBS Element	

🔄 Clear   ☒ Close

Work Distribution for PO Based and Non PO Based:

PO Based Invoices:

- **Each processor will be assigned a range of vendors based on name**
- **FileNet will automatically assign invoices from those vendors to the processor**

Non PO Based Invoice:

- **They will go to one general inbox for processing without being assigned**

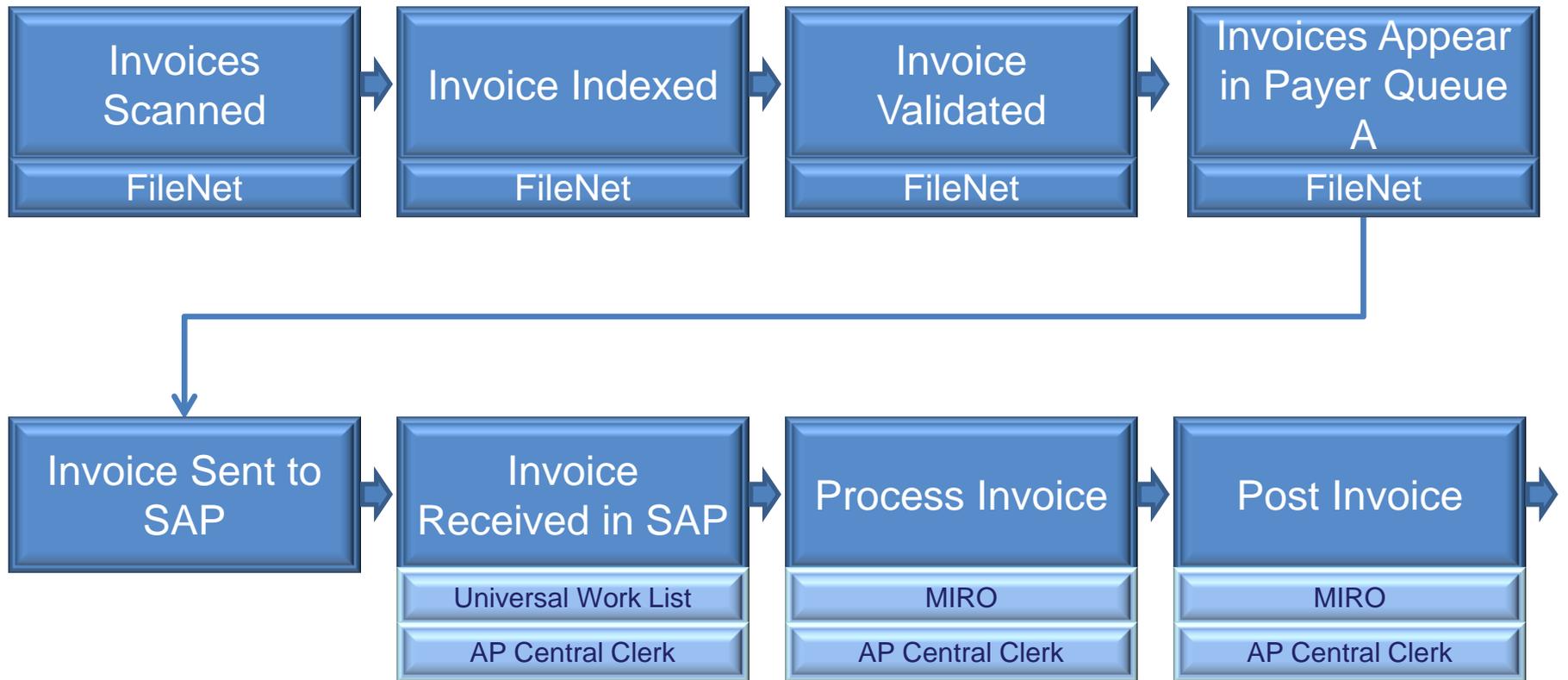|	Chapter Description
1	AP Integration with Procurement
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By the end of this Chapter, you will be able to:

- Describe Work Distribution with SAP
- Describe PO Based Invoice Processing
- Describe Non PO Based Process
- Describe Credit Memo Processing

- **Invoices that are PO Based will be 3 Way Matched**
- **Funding for these POs will have been checked upon creation of the Shopping Cart (Requisition) and Encumbered upon creation of the Purchase Order**
- **When posting the Invoice the system will check to see if the quantity or amount that was on the PO has been exceeded.**
- **It does not do a funds availability check, the funds have already been encumbered by the PO.**

PO Based Invoice Processing

Invoices Scanned		Invoice Indexed		Invoice Validated		Invoices Appear in Payer Queue A
FileNet	→	FileNet	→	FileNet	→	FileNet

Invoice Sent to SAP		Invoice Received in SAP		Process Invoice		Post Invoice
	→	Universal Work List	→	MIRO	→	MIRO
		AP Central Clerk		AP Central Clerk		AP Central Clerk

- **Invoices will be Scanned into FileNet**
- **Indexing will continue in FileNet, using established guidelines**
- **Invoices will be validated to confirm PO exists and Vendor is created correctly**
- **Once validation is complete valid invoices will appear in Payer Queue A**
- **The Payer will select invoices they would like to process and will send to SAP using FIFO**

- **Invoices will be received in the SAP Universal Worklist ready to be processed**
- **The Invoices will be processed and posted in SAP using the FileNet scanned invoice as reference**

- **Non-PO Based Invoice will have two different processes:**
  - Locations
  - Accounts Payable

- **Locations will process invoices which will then be routed to Accounts Payable for validation/approval**
- **Accounts Payable will have the ability to enter Non PO Based invoices directly**

Non PO Based Invoice Processing - Locations

Create Non-PO Based Invoice		Save as Completed Initiates Workflow		Invoice Appears in Processing Queue		Process Invoice
FV60	→	FV60	→	Universal Work List	→	Universal Work List
AP Site Clerk		AP Site Clerk		AP Central Clerk		AP Central Clerk

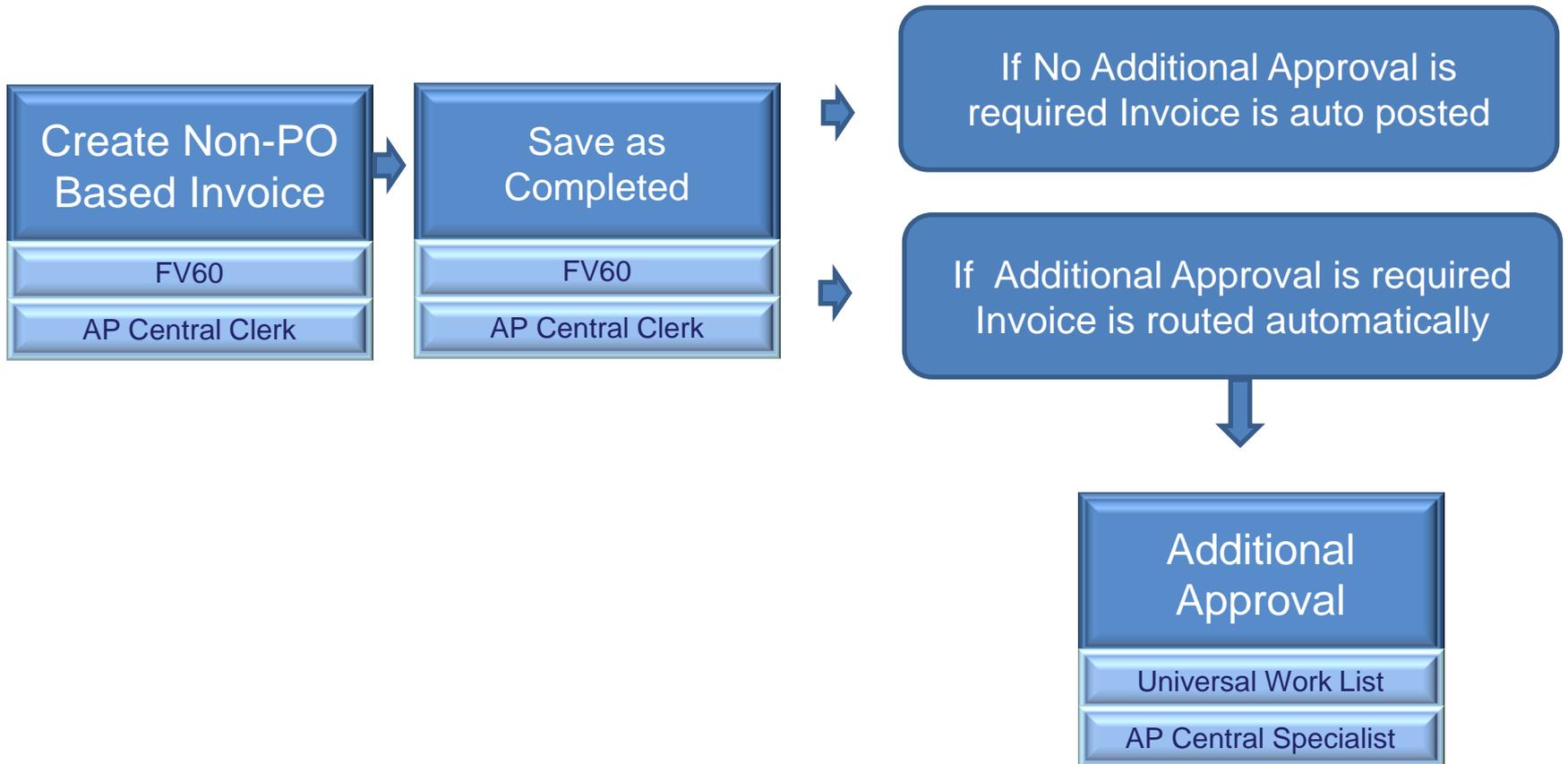| Approve/Reject Invoice		If invoice is Approved and Additional Approval is required Invoice is routed automatically		Additional Approval
Universal Work List	→	If invoice is Approved and No Additional Approval is required Invoice is auto posted	→	Universal Work List
AP Central Clerk				AP Central Specialist

- **Non-PO Based Invoices will be scanned and attached to SAP document by User creating the invoice.**

- **Attachments can be in the following format:**
  - Word (doc)
  - Excel (xls)
  - Emails (msg)
  - Text (txt)
  - Image (jpeg, gif, bitmap)

- **The Site Clerk will enter Non PO Invoice into SAP**

- **Upon saving with Save as Completed button it will trigger approval workflow**

- **The invoice will appear in the AP Central Clerk's work queue for review and approval**

- **If invoice is approved, SAP will validate if additional approval is required (based on vendor and invoice amount).**

- **If additional approval is required, the invoice will be automatically route to AP Central Specialist's work queue for review and approval. Otherwise, the invoice will post automatically.**

Non PO Based Invoice Processing – Account Payable

Create Non-PO Based Invoice	Save as Completed
FV60	FV60
AP Central Clerk	AP Central Clerk

If No Additional Approval is required Invoice is auto posted

If Additional Approval is required Invoice is routed automatically

Additional Approval
Universal Work List
AP Central Specialist

- **This process is performed when a paper invoice is received by Accounts Payable.**

- **AP Central Clerk will review and input the invoice in SAP.**

- **Upon clicking the Save as Completed button SAP will validate whether a second level approval is required based on vendor and invoice amount.**

- **If a second level approval is required, the invoice will be routed to the AP Central Specialist's work queue for review and approval.**

- **If no additional approval is required, the invoice will post automatically.**

- **A school or department will receive a credit memo and it will be forwarded to Accounts Payable**

- **The Accounts Payable staff will enter credit memo**

- **The credit memo will post immediately**

Credit Memo Processing
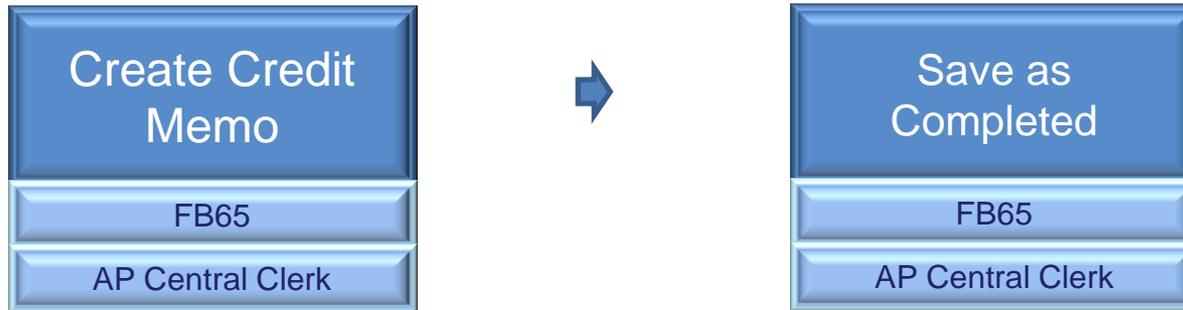
Create Credit Memo
FB65
AP Central Clerk

Save as Completed
FB65
AP Central Clerk

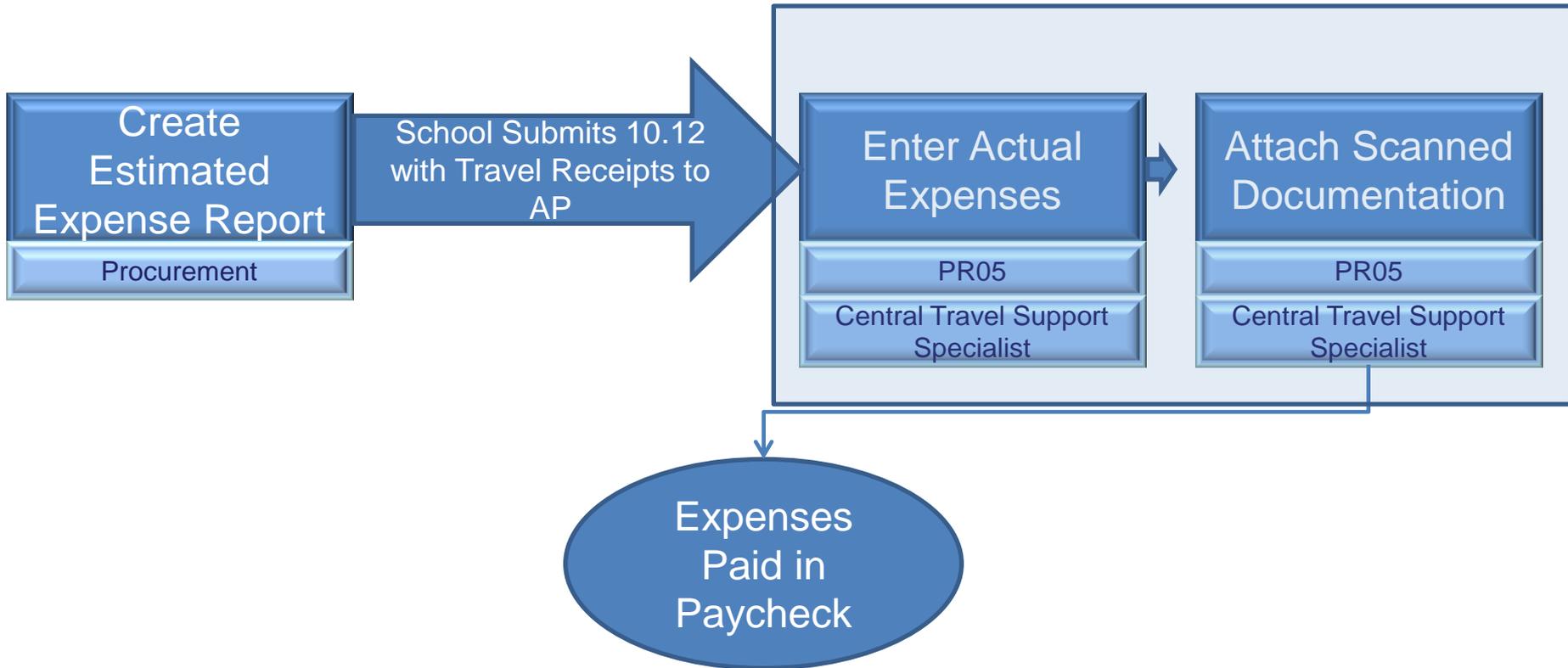|	Chapter Description
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By the end of this Chapter, you will be able to:

- Describe the Travel Related Payments Process
- Describe Vendor Master Data
- Describe Vendor Reporting

- **Two different Processes for Travel Expenses**
    - Schools
    - Central Offices
- **AP will enter actual expenses for Schools**
- **AP will confirm/approve not enter expenses for Central Office**

Schools Travel Expenses Process

Create Estimated Expense Report
Procurement

School Submits 10.12 with Travel Receipts to AP

Enter Actual Expenses
PR05
Central Travel Support Specialist

Attach Scanned Documentation
PR05
Central Travel Support Specialist

Expenses Paid in Paycheck

- **This process is performed when a school submits a 10.12 to the Procurement office**
- **The Procurement office will create an estimated expense report**
- **Once travel is completed the traveler will submit 10.12 with receipts to AP**
- **AP will enter actuals in the previously created estimated expense report**
- **Scanned supporting documentation will be attached**
- **The expenses will be paid in paycheck**

Central Office Travel Expenses Process


```
Create Estimated Expense Report
Central Office Staff
   →
Enter Actual Expenses
Central Office Staff
   →
Attach Scanned Documentation
Central Office Staff

Expenses Approved by Head of Organization
Head of Organization
   →
Expenses Approved by Accounts Payable
PR05
Central Office Travel Specialist
   →
Expenses Paid in Paycheck
```

- **This process is performed when a traveler submits a 10.12 to their Department Administrative Support Staff**

- **The Department Administrative Aide will create an estimated expense report**

- **Once travel is completed the traveler will submit 10.12 with receipts to the Department Administrative Aide**

- **The Aide will enter actuals in the previously created estimated expense report**

- **Scanned supporting documentation will be attached**

- **The expenses will be pain in paycheck**

- **SAP has many reports to aide in finding detailed vendor line item information**
- **Reports allow drill down capability**
- **Examples of available reports:**
  - Display Vendor Account Line Balances
  - Display Vendor Line Items

You have just completed the ….course.

Thank you for attending!