Getting Started in Accounts Payable

Finance Training

Table of Contents

Manual Icons

    More information

    Look at in more detail

    Be aware of

    Refer to a colleague or helpdesk.

Accounts Payable helpdesk:

Telephone: 66888

Email: UFS_AP@admin.cam.ac.uk

---

1. Purchase to pay process: an overview

Receiving a supplier invoice is the last stage in the purchase to pay process, and in order for this to be completed smoothly the previous processes need to be completed correctly.

The diagram below shows the previous stages of the purchase to pay process.

Purchasing
- iProcurement module for all purchasing needs
- Purchase order should be raised for items over £100
- indicate what account/s the money is to debit
- indicate whether item is a fixed asset

Receiving
- iProcurement module used for receiving
- Fully or partially receipt items

Payment
- Process supplier invoices, staff expenses, credit notes
- Match to purchase orders where applicable
- Indicate where items to be paid from
- Track items as assets

1.1   Overview

The Accounts Payable module of UFS deals with the payment of all suppliers, both internally and externally, as well as payments to staff for expenses.

Departments are responsible for recording details of invoices received from suppliers onto the system and matching them to purchase orders when appropriate. The Accounts Payable Team based in the Finance Division at Greenwich House will process the payment runs.

Invoices and credit notes entered onto the system can be matched where appropriate to purchase orders, approved on line and will automatically reverse out the commitment originally generated by the purchase order. The main processes involved in Accounts Payable are discussed below.

1.2   Suppliers

Invoices can only be processed if they relate to a supplier already set up on CUFS. Supplier set up is undertaken centrally.

1.3   Invoice entry

All invoices are entered onto CUFS using a batching system, with different batches for different invoice types, e.g. external and internal suppliers. The header allows you to set control totals and if these control figures do not correspond with the actual amounts inputted the system will highlight this.

1.4   Matching purchase invoices to purchase orders

All invoices relating to approved purchase orders must be matched successfully before invoice approval and payment is possible. CUFS is set to 3-way match i.e. the invoice is matched with a system receipt and the purchase order. The system will place a hold on invoices that fail the invoice matching tolerances and this will require action by accounts and/or buying staff before the invoice can be approved for payment.

1.5   Approving purchase invoices

All invoices must go through two levels of approval before payment is possible. This involves on screen checking by an individual who is set up with approval responsibilities. To approve invoices you must have AP Invoice Manager responsibility and in order to have this responsibility on LIVE you must have completed the on-line Secondary Invoice Approval training.

1.6   Entering and approving expenses

Staff expense claims will require a manually completed form. The details from this form will then be entered on to the system and approved through the standard invoice entry route.

2. Payment runs

The Central Accounts Payable Team consolidates where possible amounts for individual invoices into a single payment to a supplier, which is then processed on set dates each week: the 'payment runs'. When paying an invoice/expense claim the invoice payment run applied is determined by the pay group and also the payment method selected.

2.1 Payment run days

Day	Start time	Pay group	Payment method	Distribution eethod	Currency
Monday	None				
Tuesday	9am	Supplier	Electronic	**Build Supplier BACS Selects invoices** with due date up to Wednesday following the Monday payment date **Payment date** -the following Monday	GBP
Wednesday				Confirm Supplier BACs	
	2pm	Supplier	Electronic	**Build Priority BACS Selects only priority suppliers' invoices** with due date up to next Monday. **Payment date** -the following Monday	GBP
Thursday				Confirm Priority BACs	
Friday	None				

The cut of time for all invoices to be loaded and secondary approved for the BAC's supplier run is 9am on the Tuesday. The central process doesn't complete until the Wednesday. The same applies to the build of priority BAC's on the Wednesday: cut off time is 2pm and the process completes on the Thursday.

2.2 Pay groups

Supplier   This is the main pay group for the standard weekly supplier payment run. It is paid by BACS (Electronic).

BACS payments are sent directly to the supplier's bank account. A remittance advice will be sent via e-mail to the supplier listing all the invoices the payment relates to. Payment Terms "30 Days (see our terms)." and Payment Method of "Electronic" cannot be changed.

Supplier invoices will be paid within 30 days from the date of the supplier invoice, without the need to change the payment terms if the invoice is processed in CUFS within 20 calendar days of the invoice date.

Internal   This is for internal trading purposes and should only appear on screen when dealing with an invoice from another University department, e.g. Department of Plant Sciences.

If you wish to pay a supplier/expense in a currency other than sterling then this is processed via an Internal Payment Order – details of this procedure are covered in the AP3-F course.

3. Searching the supplier database

In order for a purchase order to be raised and for a supplier to be paid, the supplier must be loaded on the University Supplier Database.

There are two levels of access, of which a couple of staff members will have full access and the remaining staff will only be able to search:

3.1 Search only

- You will need to be a CUFS user
- You will need a raven ID and password
- Enables you to find current University suppliers
- You can search in a number of different ways
- The system will prompt you with preferred supplier details. Preferred suppliers have been approved by Procurement Services and agreed to the University terms and conditions.

3.2 Search, amend, reactivate, request new

- You will need a raven ID and password
- You will need additional authorisation and set up from Accounts Payable (email UFS_Suppliers@admin.cam.ac.uk)

3.3 Accessing the supplier database

a) A link to the supplier database can be found on the **CUFS home page**, **Suppliers**.
b) Click on the **relevant link as to what access you have**.
c) Raven screen will display for you to enter your **Raven ID** and **password.**
d) A screen will display welcoming you, which you can click **Continue.**

e) **If you have search access** only (if you don't proceed to step f).

The following screen will display if you have Search facility only.

i. From here click on **Search** and enter a search criteria e.g. Supplier name is the easiest search criteria.
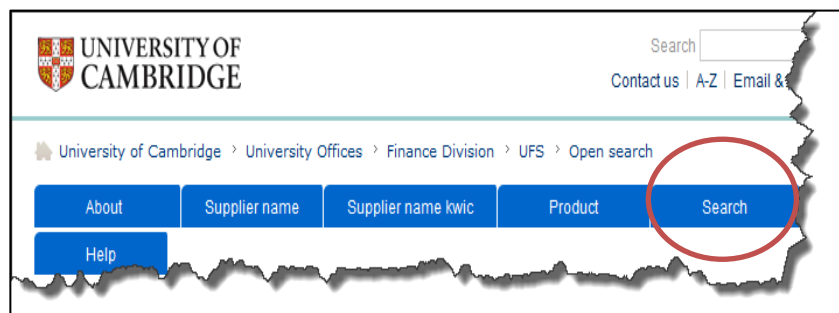
ii. Once you have entered the search criteria, click **Go** and a list matching your search criteria will display.

iii. From this screen you can easily see which suppliers are inactive.

iv. To view detailed information on a supplier click on the **Supplier name.**

v. Supplier details will display with information on site addresses, key words, payment terms, pay groups.

f) If you have full access

The following screen will display, where you can then search in a number of ways.

i. From here click on **Search** and enter in a search criteria e.g. Supplier name is the easiest search criteria. You also have the option of searching a type of supplier.

ii. Once you have entered the search criteria, click **Go** and a list matching your search criteria will display.

From this screen you can easily see which suppliers are inactive.

i. Click on **Details** for the relevant **Supplier name.**

ii. Supplier details will display with information on site addresses, key words, payment terms and pay groups.

	Name	Type	Supplier number	Note	Keywords	
Details	LANDMARK CONSULTING LTD	Supplier	274611			Inactive
Details	LANDMARK EAME LTD	Supplier	144243			Inactive
Details	LANDMARK EDUCATION	Supplier	95254			Inactive
Details	LANDMARK INTERIORS LTD	Supplier	240487		OFFICE FURNITURE	
Details	LANDMARK LIFTS LTD	Supplier	213340			Inactive
Details	LANDMARK MAP COMPANY, THE	Supplier	143977			Inactive
Details	LANDMARK OFFICE LTD	Supplier	240552		OFFICE FURNITURE	
Details	LANDMARK PUBLISHING SERVICES	Supplier	187339			
Details	LANDMARK SCAFFOLDING LTD	Supplier	275144			
Details	LANDMARK TRADING (STAMFORD) LTD	Supplier	139807			
Details	LANDMARK TRUST, THE	Supplier	169431			Inactive

New search   Add new supplier   Display all suppliers

iii. If your supplier is not listed then you will need to click on **Add new supplier** and complete the relevant fields.

iv. For more information on setting supplier up see the Key Contacts Guide to the University Supplier Database (http://ufs.admin.cam.ac.uk/ssr/suppliernotes.pdf)

4. University account codes

It is important that you have an understanding as to how the account codes work within the University to ensure that you use the correct code when coding supplier invoices.

When you pay an invoice the expenditure is allocated to your department's Chart of Accounts. Many departments have two options: it can either be coded to the department's budget/funds or to a Research Grant/Project.

4.1 General Ledger account structure overview

General Ledger account codes are made up of six segments and are written in a string format e.g. U.XX.XXAA.AAAA.E???.0000 (XX being your dept code).

U	• Organisation field • Will always be U for the Univeristy of Cambridge
PD	• Department Code • Represented by two letters e.g PD is plant sciences
PD??	• Dept. cost centre, therefore starts with dept code • Reflects depts. income and expenditure activities
????	• Source of funds code is univeristy wide • Reflects where the money is coming from
E???	• Transaction code • Details an item in more detail
0000	• Spare field • Will always be 4 zero's

For detailed information on the individual segments, refer to the Financial Procedures Manual, Chapter 3.

4.2 Research grants and projects structure overview

A grant consists of two main parts:

The award - represents the sponsor who is providing the funding
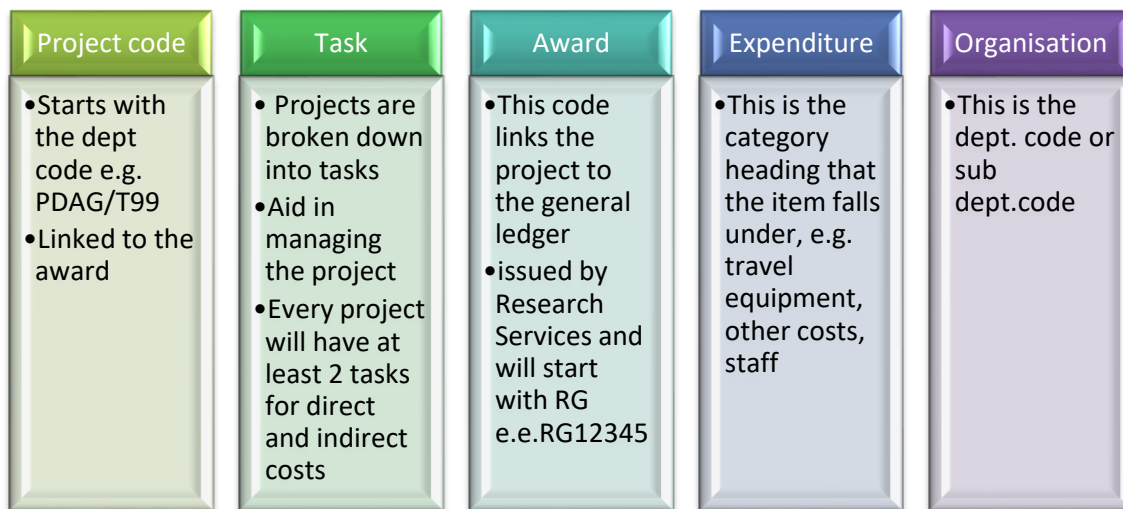**The project -** describes the way in which the funds are to be spent.

In the main, a grant will have a single award and project. However it is worth being aware that one award may fund several projects and in turn one project may be funded by several different awards. The coding structure for Grants and Projects is set out differently to that of General Ledger codes. The Grants/Projects coding consists of 5 segments.

Project code	Task	Award	Expenditure	Organisation
•Starts with the dept code e.g. PDAG/T99 •Linked to the award	• Projects are broken down into tasks •Aid in managing the project •Every project will have at least 2 tasks for direct and indirect costs	•This code links the project to the general ledger •issued by Research Services and will start with RG e.e.RG12345	•This is the category heading that the item falls under, e.g. travel equipment, other costs, staff	•This is the dept. code or sub dept.code

A general ledger account will automatically be generated from the above information and formatted into the six segments as mentioned in the GL structure overview.

For detailed information on grant coding, refer to the Financial Procedures Manual, Chapter 19, section 3.

5. VAT guidance

You don't have to be an expert in VAT to use the CUFS modules however, it is important that you have an understanding as to the various tax codes and the scenarios in which they would be used.

Tax name	Example of when to use
SR20%	Standard Rate for most everyday items e.g. • Computer equipment • Stationery supplies • Clothes • Some foods/drinks
Import20%/ Import5%/ Import0%	These tax codes are used for goods imported from other countries. You will need to select the rate which matches the tax treatment for goods in the UK (e.g. if the goods would incur SR20% if bought in the UK, use the IMPORT20% rate). You will also need to use these codes for any Customs Duty or Excise Duty using the same rate as the item you are importing.
NO-UK VAT	This is a 0% VAT name e.g. • Hire of rooms • Travel tickets • Books • Invoices from small suppliers not registered for VAT
ME0%	Medical exempt for equipment used in medical or veterinary research, diagnostics and teaching e.g. • Bandages • Scalpels • Test tubes
INTERNAL	This 0% code is used when paying internal invoices as no VAT is charged between departments.
RR12.5%	A temporary reduced rate for hospitalities will apply between 1 October 2021 and 31 March 2022 (when the rate will revert to SR20%)
RR5.0%	Reduced rate mainly used by Estate Management for fuel and power.
SERVICES TAX	Used when buying services from overseas suppliers.
EC20%	Tax code for use on invoices from other countries in the EC for supplies prior to 1 January 2020

Reclaims of VAT by the University

Normally a business that is VAT registered can:

Reclaim from HM Revenue and Customs the VAT that it has been charged by its suppliers	**as long as**	the purchases it is making relate to the VATable supplies (or sales) that the business provides to its customers.

Many of the services that the University supplies to its various customers are not VATable supplies (e.g. we make exempt supplies of education or provide research which is outside the scope of VAT) and therefore we are not able to reclaim much of the VAT that we have been charged by our suppliers.

In order to maximise the VAT we can reclaim, the Tax Team within the Finance Division have set up, on CUFS, various VAT tables and VAT recovery rules that are linked behind the scenes to every account code and research grant. Each of these rules specifies whether the University can reclaim from HM Revenue & Customs none, all, or a percentage of the VAT they have been charged**.**

Any VAT that cannot be reclaimed is absorbed by the department as an additional cost of purchasing the item and therefore the system automatically codes it to the same account as the item itself.

Therefore when looking at your distributions you will see one of three possibilities:

- If the university cannot reclaim the VAT it will be coded back to the department, against the same code as the item line.

- If the university can reclaim the VAT it will be coded to the VAT reclaim account U.00.0000.0000.VCBA.0000.

- If the University can reclaim only part of the VAT it will be coded in part to the VAT reclaim account and in part to the same code as the item line.

> **NEVER TOUCH THE VAT RECLAIM ACCOUNT**

Zero tax lines

Sometimes the percentage of VAT that can be reclaimed is so small that although the recoverable VAT line is displayed the amount to be recovered is less than 1p and hence not displayed on the screen. In this instance you will still get a second Tax line (the recoverable VAT line) but the monetary value will be zero. **Do not delete this line** as behind the scenes these tiny amounts are being collated.

6. Processing an external supplier's invoice (no purchase order)

An over view of the invoice process is below.

Create a batch	Enter supplier invoice	Calculate Tax and tracking fixed assets	Primary validation	Secondary Invoice Approval

Step 1: Create a batch

Responsibility: AP Invoice Entry/ Manager

Navigate: Entry ➔ Invoice Batches

All invoices are entered onto the system in batches, even if it is only a batch of one invoice. Different batches should be used for different types of invoices, e.g. sterling, foreign invoices and credit notes.

a) Complete unique **Batch Name**
~ in upper case
~ in following format:

DEPARTMENT CODE/YOUR INITIALS/ DD/MM/YY/UNIQUE NUMBER

This will appear on your reports and will help you and others locate batches.

Batch Name	Date	Control Count	Control Amount	[ ]	Act
ZZ/RAD/30/08/13/01	30-AUG-2013	1	120.00		

Validate 1   Invoices

b) Complete the **Control Count**
- the physical number of invoices that you are going to enter in batch.

c) Complete the **Control Amount** - the total value inclusive of VAT of all the invoices you are going to enter in batch

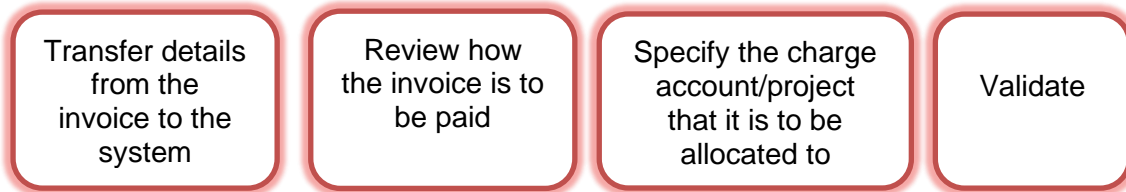d) **Save** and click on **Invoices.**

Control values are manually calculated before you start entering invoices into CUFS. As invoices are entered, the system will compare the running totals with what has been entered initially as a control. If there is a discrepancy, the system warns you when you exit a batch but it does not prevent Approval and payment of the individual invoices within the batch.

Investigate and either make a correction immediately, or return to adjust the invoice batch later.

Step 2: Enter the invoice header

Each line in the Invoices window represents a separate invoice within the batch. There are four stages involved in entering an invoice for which the system does not have a purchase order.

| Transfer details from the invoice to the system | Review how the invoice is to be paid | Specify the charge account/project that it is to be allocated to | Validate |

Transferring details from the invoice to the system

a) Accept 'Standard' as the **Type**

Enter either the **Supplier Name** or **number.**

If you enter one of these identifiers the system should default in the other field for you.

b) Check the **Site.**

If the site does not default in, you must select the relevant site from the list of options.

You may receive a message informing you that the supplier is an Off-Payroll Worker. If this is the case then you will have to find the UPS4 form which has been completed and the invoice will have to be sent to Shared Services for processing onto UPS.
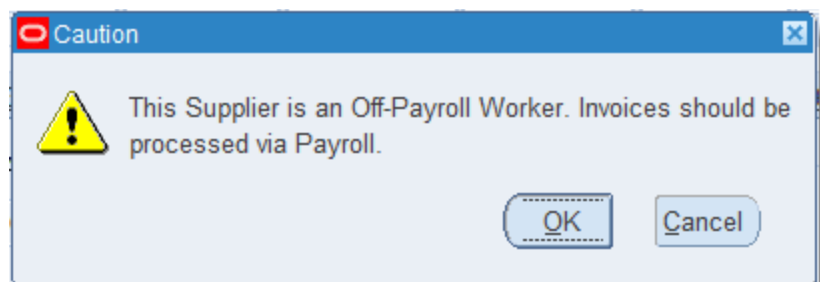
c) Enter the **Invoice Date** as per the invoice.

d) Enter the **Invoice number** as per the supplier's invoice.

e) Enter the **Invoice Amount** - the gross amount of the invoice i.e. the item amount plus VAT.

Invoice Date	Invoice Num	Invoice Curr	Invoice Amount	VAT Control Amoun	VAT Amount	Disc
29-JAN-2014	123456INV	GBP	120.00	20.00		

Batch Actual Total 120

f) In the **VAT Control Amount** field enter the total <u>VAT amount as shown on the invoice.</u>

If no VAT has been charged on the invoice you must enter zero in this box.

Curr	Invoice Amount	VAT Control Amoun	VAT Amount	Discountable Amount	Description
	120.00	20.00		120	nuts and bolts

Actual Total 120

⚠️

Do not include any amounts that are not UK VAT.

The system will warn you and will not accept duplicate invoice numbers for the same supplier.

Review how the invoice is to be paid
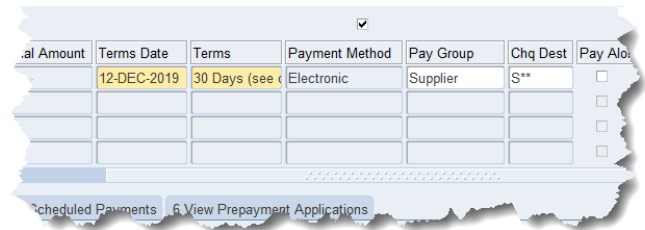
Continue on the same line but scroll along to the right.

a) Review the **GL Date.**

You may need to change this after month end if you need to post the expenditure back into the previous accounting period. You have three working days at the beginning of every month to do this. The date can be changed at the invoice header and lines tab but it does not pull through to the Distributions screen. Therefore you may need to reverse out the line and re-enter it with the correct GL date.

GL Date	Payme
29-JAN-2014	29-JAI

AP Invoice Manager) - test

b) Review the **Terms.**

This defaults in from the supplier set up and is normally 30 Days (see our terms).

al Amount	Terms Date	Terms	Payment Method	Pay Group	Chq Dest	Pay Alo
	12-DEC-2019	30 Days (see (	Electronic	Supplier	S**	☐
						☐
						☐
						☐

Scheduled Payments | 6 View Prepayment Applications

c) Review the **Payment Method.**
   Payment method cannot be updated by departmental users from the default.

d) Review the **Pay Group.**
   This field tells the system which payment run to include the invoice on. There are several types: for sterling supplier invoices the system default of 'Supplier' will normally default in.

e) Click on **Lines** tab

Step 3 Input the account information

a) After clicking on the **Lines** tab the following window will display.

1 General	2 Lines	3 Holds	4 View Payments	5 Scheduled Payments	6 View Prepa

CUFS Invoice Lines

Total
Gross [   ]   Retained [   ]   Net

Num	Type	Net Amount	Tax Name	Charge Account	Track As Asset	Description	Item Description	GL Date
1	Item		SR20.0%		☐	nuts/bolts		30-AUG-2013
					☐			
					☐			
					☐			
					☐			

Discard Line 1 | Distributions

Actions... 1 | Calculate Tax | Tax Details | Corrections | Quick Match | Match
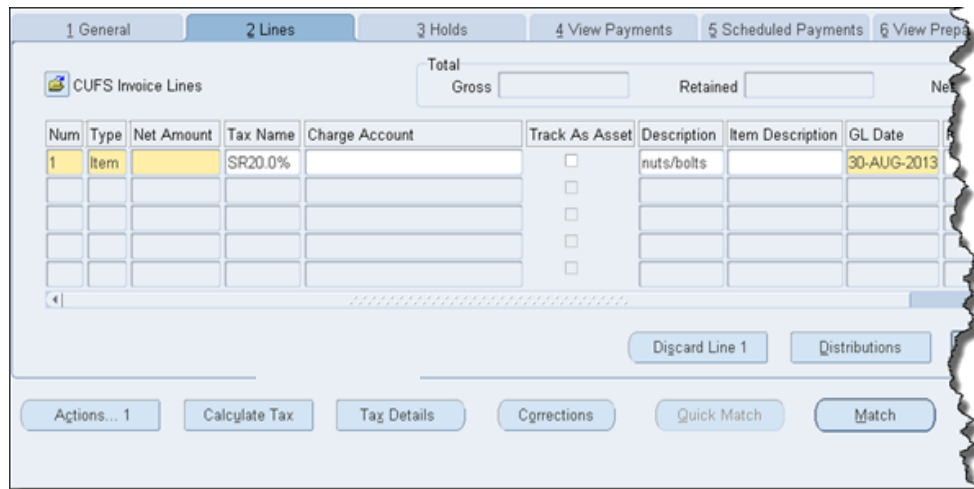
b) Complete the **Net Amount**

Enter the amount **before tax** of each item that you want to charge to a particular account or project.

c) Complete the **Tax Name** field

From the **List of Values** select the code relevant for the item *e.g. SR20%, EC20%, ME0%, NO-UK VAT, Services Tax.*

d) Enter the correct **accounting**

See the next pages for detailed steps on how to code for these items in your department
   ❓ Code to a GL account, Page 19

🌐 Code to a Project account, Page 20
🌐 Split expense over codes, Page 22

e) Amend the **Description** for each item line (this can be done before or after tax is calculated).

f) Tick the **Track as Asset** box if you are paying for an asset costing over £5000. Assets are items such as equipment, machinery, furniture, vehicles that the University is likely to keep for more than a year.

If you have ticked the **Track As Asset** box**,** ensure you scroll along and complete the mandatory **CUFS Tag Number** field with the number from the tag sticker that can be found in your dept.
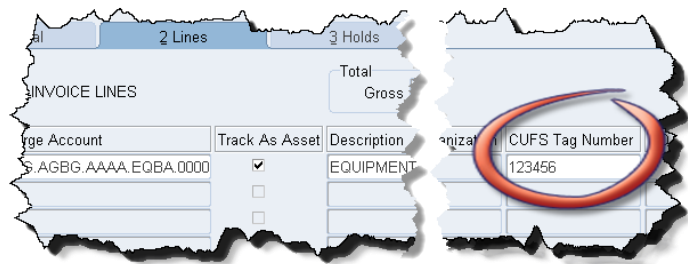
Where can I find these stickers? Based upon departments fixed asset tracking history, stickers have been distributed to the majority of department accounts offices. If you are unable to locate them then please contact the Fixed Asset help desk.

g) Click **Calculate Tax** and the relevant tax lines will be created. The system will not enter the charge account for the Tax line.

Please note! If you ticked the Track As Asset box but have not completed the CUFS Tag Number field, three prompt messages will display advising to complete the mandatory field.
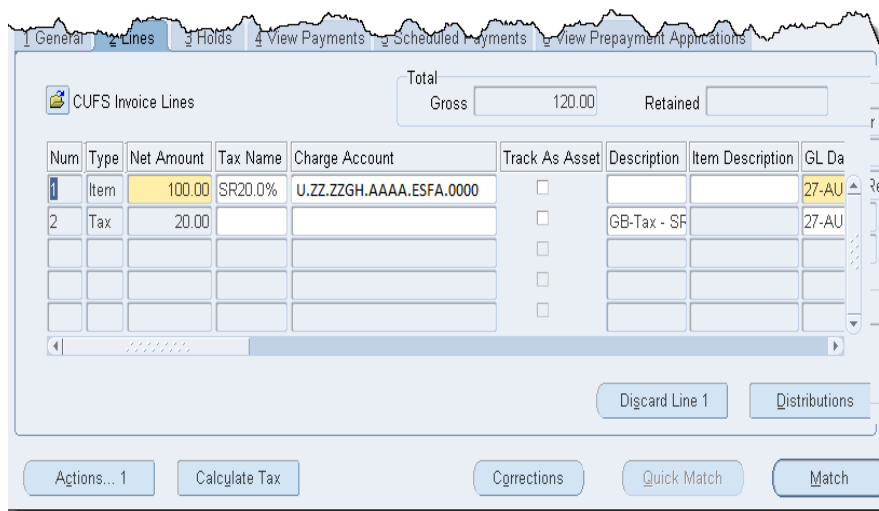
h) If you would like to see all item and tax lines coding information click on **All Distributions.**

Within AP on a multi line transaction, looking at 'All Distributions' it can be difficult to establish which tax line/s belongs to which item line. To assist with the identification of the associated lines, it is possible to display a new view of the distribution lines and then export the results.

Viewing and exporting these lines can be carried out from the invoice workbench screen within any AP responsibility as well as the Secondary Invoice Approval screen.

Refer to Appendix A on viewing and exporting distribution lines.

To code an item to a GL charge account

a. In the **Charge Account field** type
    U and then press the **tab** key.

b. This will take you straight to the
    Accounting Flex field box.

    *If you are unsure of any of the
    codes then click on the list of
    values for the relevant field and
    search for appropriate options*

    Accounting Flexfield

Entity	U	UC
Department	ZZ	Ecology
Cost Centre	ZZAH	Health & Safety
Source of Funds	AAAA	Chest Non Payroll
Transaction	ESFA	Photocopying Paper
Spare	0000	Default

    OK   Cancel   Combinations

    • **department** code   Your two digit CUFS department code

    • the **cost centre**   Often these will have been hand written on
    • the **source of funds**   the invoice by whoever has manually
                                         authorized the invoice to say that the goods
                                         or services have been received.

    *If you still have doubts as to which cost centre or
    source of funds code to use please speak to
    either your head of accounts or the person who
    ordered the items.*

To code an item to a research grant/project

a) Ensure that the **Charge Account** field is blank.

b) **Scroll** along to the right hand side of the line until you reach the Project field.

c) Enter the **project** number that you wish to allocate the cost to.

This starts with your 2 letter dept code. Either type it straight into the field or select it from the list of values.

If you have doubts as to which project to use please speak to either your head of accounts or the person who ordered the items.

d) Select the **Task** from the list of values. This is linked to the Project you have selected -select the appropriate one.

e) Click on the list of values in the **Award** field. If there is only one award linked to that project it will default in, otherwise search the List of Values.

f) Complete the **Expenditure Type.** Select an appropriate category from the list of values.

g) Complete **Expenditure Organization.** Enter your 2-letter dept. code and press tab on the keyboard.

A copy of this invoice maybe required as some sponsors request evidence of expenditure. If relevant, a pop up message will display advising that a copy of the invoice is required. Collate the invoices and send them weekly to your contact within the Research Operations Office. The RG number must be clearly highlighted on the invoice.

h) Enter **Expenditure item date.** This is the date of expenditure. If nearing the end of the project ensure that you enter the date that the goods were delivered or services performed. In other cases the invoice date or today's date will suffice.

i) Click on **Save.** The GL mapping code will now populate into the **Charge Account** field.

Step 4: Primary validate the invoice

a)   Click on **Actions… 1**. button   The Invoice actions screen display

b)   Click in the box for **Validate.**

c)   Click **OK**

d) Invoice Status should be **Needs Revalidation**.

e) Click **Holds** tab

It should state **Awaiting Secondary Approval.**

Holds will be covered in AP2 course or refer to the CUFS home page:
> *Documentation and FAQs >Accounts Payable >Correcting Errors*

If there is more than one rate of VAT e.g. one item is SR20% and another is NO-UK VAT?

Process the invoice and enter the total amount of VAT in the VAT Control Amount field. On the Lines tab, enter a line for the VATable item with the relevant tax code, and a line for the non-VATable item with the relevant tax code.

Splitting cost over more than once code

a) Once on the **Lines** tab, you enter the net amount in the normal way, but instead of entering the GL code or project code information on the **Lines** tab, click on **Distributions**. The system may prompt you to save.

b) Once on the **Distributions** screen, enter the net amount that is being allocated to the first code.

   I.   If coding to a GL complete the **Account** field.

   II. If coding to a project complete the **Project** fields.

c) Once the first line is completed, click in the next line down and repeat the process till all lines equal the total net amount.

d) **Save** your work and then close out of the **Distributions screen.**

e) **Calculate Tax** and **Validate** in the usual way.

Delivery Charges

Add an additional line on the Lines tab by clicking on the List of Values and selecting **Freight** and code it accordingly.

You can **Allocate** the delivery charge against more than one line then, this will be covered in AP Part 2.

7. Amending non-matched invoices

The following are the most common amendments made to invoices:

- Account code
- Tax code
- Entering the gross amount on item lines and calculating tax
- Forgetting to track an asset

If tax has not yet been calculated:

1. Simply overtype what is incorrect, enter any remaining lines with the correct information.

    Please note: When re-coding to a different grant it is possible for the transaction to fail funds checking. A pop up message will display advising of this. If it is a multi-line transaction with various grant codes it may be difficult to ascertain which code has failed. If a message displays advising of insufficient funds, please refer to Accounts Payable guidance 'Insufficient Funds Hold'.

2. Once all item lines entered, **Calculate Tax**.

It is important to ensure that all lines are entered before you calculate tax. The more times you click on calculate tax the greater the chance of tax being incorrectly calculated and allocated.

What if I have already calculated tax?

Once an invoice has had tax calculated or been primary validated you will not be able to amend the lines just by overtyping them. If you wish to make an amendment you will have to:

1. Enter a second line with the net amount in negatives using the same coding information and tax rate.

2. Re-enter the item line with the correct information and **Calculate Tax.**

    The system will then amend the tax amount if required.

Remember to **Actions …1** and check the **Holds** tab.

What if I didn't track a line as an asset?

If you forget to tick the **Track As Asset** and the invoice has already gone through primary validated, then re-ticking the box will not transfer the information through to the fixed asset module. Therefore, the item can only be entered into the Fixed Asset module by the Central Accounting Team so please contact the Fixed Asset Helpdesk on 66780.

8. Other invoice scenarios

8.1 Processing invoices that contain other taxes as well as VAT

Occasionally, an invoice may show another form of tax other than VAT such as Insurance Premium Tax (IPT), import duty, foreign taxes or Airport Tax. These taxes should not be included in the VAT Control Amount box and that should be entered as 0.00.

You will however, need to charge the correct IMPORT tax rate against any import duties. The rate you choose will be the same as the item being imported.

Other invoices will be looked at in more detail on the AP2 course.

*For example, if an invoice is received for insurance for £300 plus IPT of £15, in the 'Invoice Line' screen, the value of the invoice should be shown as £315, with 0.00 in the VAT Control Amount. On the **Lines** tab the Tax name should be shown as NO UK VAT and the VAT amount of zero entered into the VAT Control Amount box.*

8.2 High value sterling, Euro and Dollar invoices

Invoices of certain values must be sent on to either Accounts Payable or the Tax team or both dependant on currency type and value. The table below highlights the criteria of which invoices need to go where. Please remember that if the procedures are not followed it will result in a delay in payment to the supplier.

Invoice type	Additional requirements
Sterling Invoice over £10,000	A copy of the invoice must be sent to the Accounts Payable team
EC Goods invoices	All EC invoices regardless of value must be scanned and emailed on receipt **(do not wait for payment)** to: **EC_Goods_Invoices@admin.cam.ac.uk**
Euro invoice of €5,000 or above	A copy of the invoice must be sent to the Accounts Payable team and the Tax Team
Dollar invoice of $5,000 or above	A copy of the invoice must be sent to the Accounts Payable team and the Tax Team

Should you have any queries contact the Accounts Payable **helpdesk on (7)66888**.

9. *Entering staff expenses*

Expenses claims are to be entered onto the system in the same way as external supplier invoices, as all members of staff should be set up in the supplier database.

The rates of travel and subsistence allowances are available on the Finance Division's website and are sent out to all Departments on an annual basis.

All claims for reimbursement of personal expenses must be supported as appropriate by receipts or other evidence and calculated in accordance with the University travel and subsistence rates approved by the Finance Committee. The Head of Department is responsible for ensuring the accuracy of claims and for complying with the University travel regulations.

Claims for reimbursement must be made on the official University claim form (FD1C-01), available from the Finance Division web site (Raven log in will be required).

http://www.finance.admin.cam.ac.uk/finance-staff/accounts-payable/expense-claims/expense-forms

Full details on staff expenses can be found in the Financial Procedures Manual, Chapter 5

9.1 Checking the employee address prior to entering the expense form

When entering an employee expense the site address for the individual will display as HOME. However, this is not necessarily the individuals 'home' address; it is more likely to be the address of the department that is on the employee's HR record.

You can check an address before entering the expense claim.

Responsibility	**AP Invoice Manager / Entry**
Navigate	**Employee Address**

1. Once you have navigated via the above path, the *Find Person* screen displays. Enter either the surname or the employee number and **TAB.**

2. A screen listing all employees with that surname will display.

3. **Highlight** and click **OK** for the correct line and the name. Full name, NI Number and Employee Number fields will populate with the most up to date information on that employee. (Ensure Active Vendor shows 'yes'. If it doesn't show as yes, you will need to reactivate/setup the supplier via the web form).

4. Click on **Find** and the address details for the employee will display. If you wish to look at the address in full then you can click into the address field.

5. Close out of the screen.

Staff with a Raven ID and password can also check addresses via the search facility on the Supplier Database which is available from the UFS home page:

http://ufs.admin.cam.ac.uk/ssr/

9.2 What if the employee address details are incorrect?

An *Amending Supplier Details* form will need to be completed and submitted, which can be found via the UFS Home Page, under *Suppliers*, *New Supplier, Reactivations and Supplier Amendments.*

http://ufs.admin.cam.ac.uk/ssr/amending.pdf

9.3 Processing the expense claim

Responsibility	AP Invoice Manager / Entry
Navigate	Entry > Invoice Batches

a.   Start to enter the expense form as per a non-matched invoice.

Accept Standard as the Type.

b.   **Supplier**

Enter the **employee's surname** and **Tab.**

To assist in the selection of the correct employee, especially when entering expenses claims, additional fields are now visible:
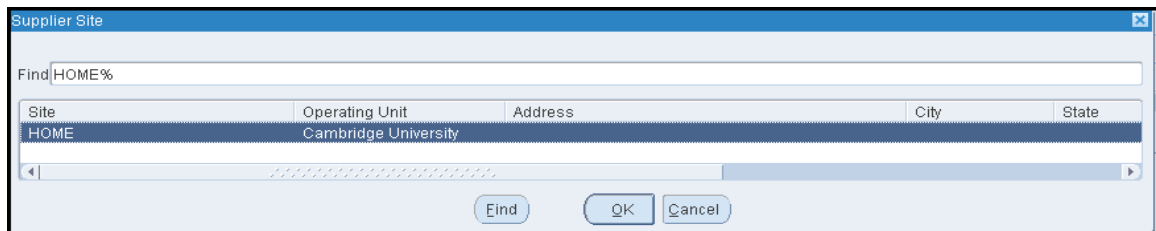
- *Supplier type;*
- *Employee number;*
- *Active employee.*
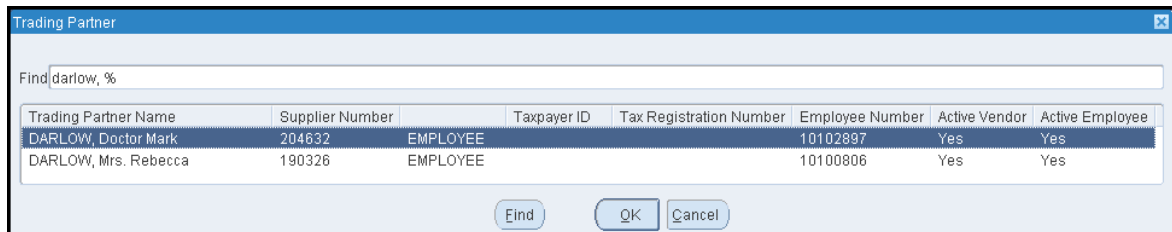
Double click on the correct line.

Information will populate into the relevant fields of the invoice header.

c.   Click or tab into the **Site** field.

Double click the site for the address that you wish to use.

Please be aware!

Home does not necessarily mean the employees home address; it could well be the department address that is on their HR record. Follow the steps below to check which address the payment is going to be sent to.
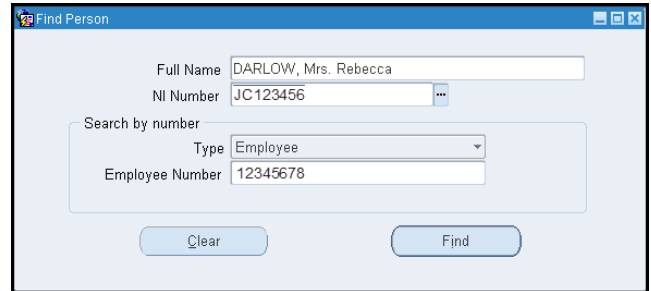
Click **OK.**

Home will have defaulted into the *Site* field.

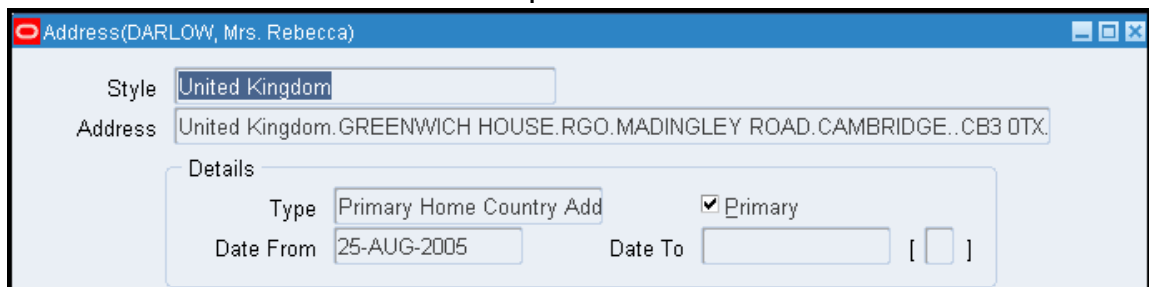Navigate to **Reports >View Employee Address.**
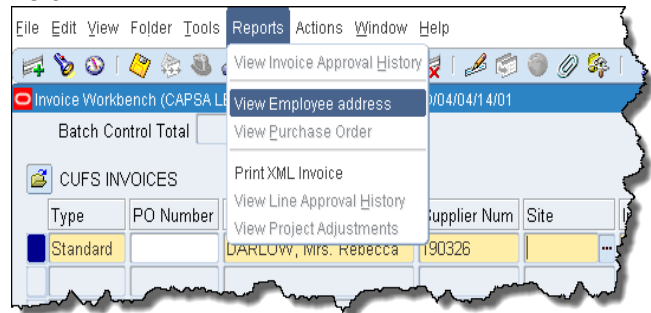
Complete the relevant fields for the employee you are entering the expenses for.

Click **Find.**

A screen will display with the address, if the details are incorrect see below

If the dept. address is incorrect.

An *Amending Supplier Details* form will need to be completed and submitted, which can be found via the UFS Home Page, under *Suppliers*, *New Supplier, Reactivations and Supplier Amendments.*

http://ufs.admin.cam.ac.uk/ssr/#reactivations

If the address is correct.

Close out of the screen and the invoice workbench will display.

d) Complete the following fields.

Invoice Date

Enter the expenses claim date. Tab into the next field.

Invoice number

Accept the default (invoice date) by clicking on **OK**.
NB. The system will not accept duplicate invoice numbers for the same supplier.

Invoice Currency

|	
Invoice Amount	Enter the gross amount of the expense claim.
VAT Control Amount	Enter amount of VAT. *See below if the claim includes a VAT invoice made out to the University*
Description	Complete appropriately.

e) **Pay Group**   Ensure Pay Group is set as **SUPPLIER**

f) Upon completing the Invoice line. Navigate to the Scheduled Payments tab and ensure Remit to Bank Number matches the expense form (**last four digits**).
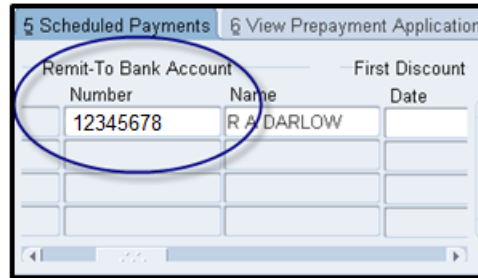
*If the last four digits **do not match**, please see notes at the end of this document.*

g) Click on the **Lines** tab and complete the following fields

Net Amount	The amount before tax.
Tax Name	This will default in with NO UK VAT. If the expense claim includes an invoice made payable to the University then you will need to enter each individual expense line and the relevant tax name *(refer to the section on claims including invoices).*
Description	Enter a relevant description for that item line.

Important!   **Coding the expense to a Grant?**
It is vital that for each line of the expense a detailed description is entered

e.g. name of the individual,
   what the expense relates to and
   why the expense was incurred.

This detailed information has been requested by our external sponsors to whom we have a duty to ensure that funds are spent in accordance with the terms and conditions of the award.

What if I have calculated tax but forgot to enter a detailed description?
Whilst you can still amend the description field on the Lines tab, it won't pull the updated information through to the Distribution screen and therefore it will not display on the sponsors billing report.

If this happens then the description will need to be added via the *Grants module, Expenditure Enquiry,* and the *Comment* field for the relevant line. Please refer to separate Grant guidance notes titled 'Expenditure Enquiry'.

Code the expense

Enter either department code or scroll to the right to enter the grant code information.

h)   **Calculate Tax**

i)   If values agree click on **Actions… 1**

This will validate the invoice.

j)   Click on the **Holds** tab

It should be Awaiting Secondary Approval.

9.4 Bank account numbers not matching

If the last four digits of the bank account number on the FD1C (expense) form do not match the details in the scheduled payments tab, you should not proceed with making the payment for the expense. You will need to contact the Accounts Payable team advising of the following details:

- Supplier Name
- Employee Number
- Employees full university's email address

The Accounts Payable team will then verify the details with the Payroll section. The details held by the Payroll section will be used to update CUFS. Should there be any other queries refer them to the AP team and these will be dealt with accordingly.

Email: UFS_BACS@admin.cam.ac.uk

9.5 Claims including invoices

You have an expense claim of £145.00 made up of mileage at £25 and a hotel bill of £100 plus £20 VAT that the employee has already paid (the hotel bill is a valid VAT invoice made out to University of Cambridge).

- On the Invoice Header
  - enter £145.00 as the invoice amount
  - £20 in the VAT Control Amount
- On the Lines Tab
  - Enter the line for the £25 mileage with a tax name of NO UK VAT, the relevant code and a detailed description
  - Enter the next line for the hotel bill as an item line for £100.00, with the Tax Name of SR20%, the relevant code and a detailed description.
- Click on Calculate Tax.

9.6 Visiting lecturers/researchers

There are particular rules and potential tax implications that need to be considered when reimbursing the travel expenses of visitors if they can be regarded as being employed by the University by HMRC.

If you have any queries regarding this contact the Tax Team within the Finance Division or refer to Financial Procedures Manual (chapter 5b).

9.7 Mileage claims for staff with CAMbens cars

Standard mileage rate of 45p/mile does not apply. Please refer to the HMRC link for the correct rate to use. Rates are subject to change and the link should be used for each new claim.

http://www.hmrc.gov.uk/cars/advisory_fuel_current.htm

10. Finding invoices and balance owed

10.1 Finding Invoices

a.   You can enter
     multiple search
     criteria by entering
     information in one or
     more fields

b.   Click on the **Find**   The Invoice Workbench screen displays, where invoices
     button   that match your criteria are listed.

10.2 Invoice overview

Once you have navigated and found an invoice, an overview is available.
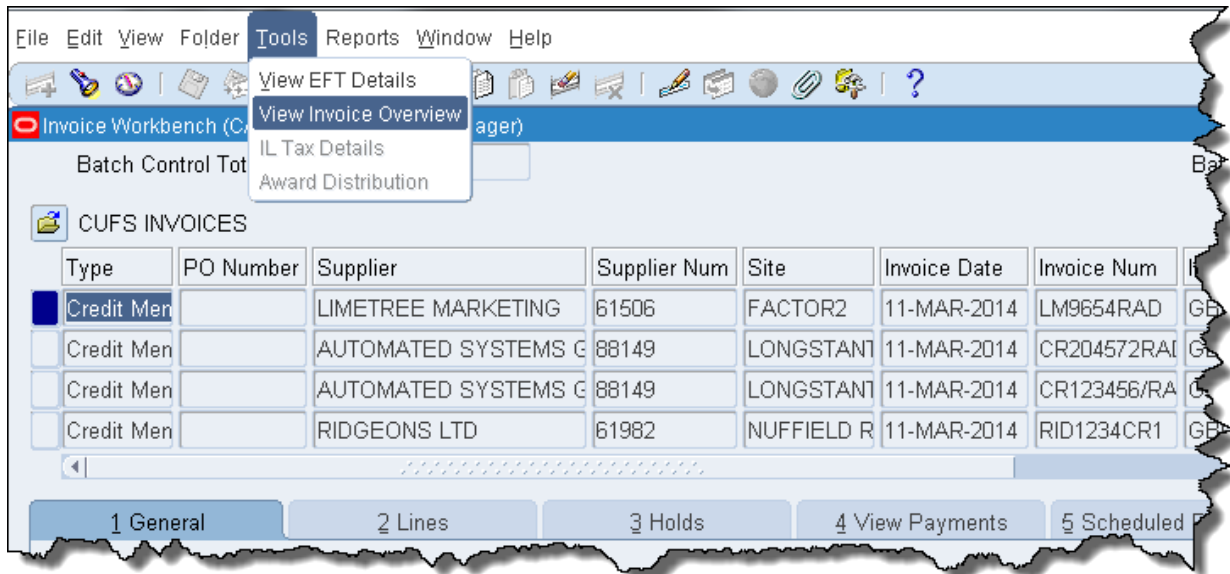
From the Invoice Workbench screen, ensure you are in the relevant invoice line and navigate to **Tools, View Invoice Overview.** An overview of the transaction displays. It will detail information such as *Batch Number,* whether there are any *Holds, PO Number (if it was matched), Due Date* of payment and when the *Actual Payment* has been made.

10.3 How to calculate the amount that your department currently owes to a supplier

a. **Enquiry>Invoices** Complete the **Name** field for the relevant supplier.

b. Click on **Calculate Balance Owed**.

c. Click on **Calculate**

   The system will calculate the amount owing to the supplier and provide you with the number of invoices that make up this amount.

d. To view the unpaid invoices click on the **Invoices** button.

11. Cancelling invoices

In some scenario's it will be best to cancel an invoice; this could be due to a processing error, whereby the easiest option is to cancel the invoice.

You can only cancel an invoice following these steps if the invoice is not yet accounted and has not yet been paid. If you are unable to cancel an invoice please contact the AP help desk.

a) Click in the **Invoice** number field.

b) Enter a **Full Stop** at the end of the invoice number.

   This is to make the invoice number unique as CUFS will not allow an invoice to be processed to the same supplier with the same invoice number.

c) Click on **Actions … 1** to complete the cancellation process
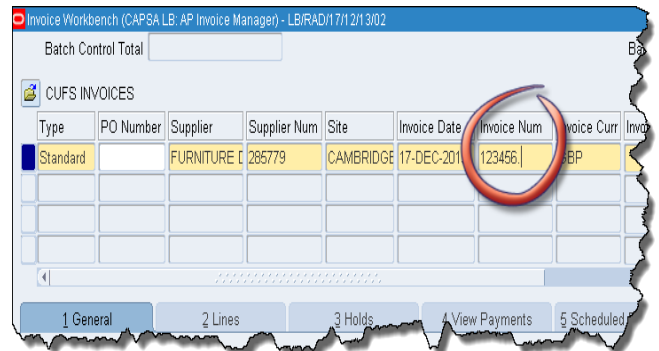
d) Click in the **Cancel Invoices** box

e) Click **OK.** A caution message will display confirming cancellation.
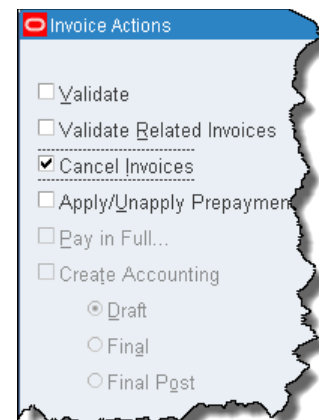
f) Click **OK.** Invoice status should be showing as cancelled.

12. *Standalone credit notes*

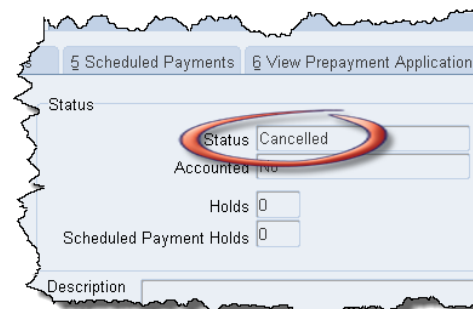| What it enables you to do …	To be aware of …
This is when you do not want to link the credit note to the invoice but simply make reference to the original invoice in the description field. Mainly used if the invoice was matched to the Purchase Order and you do not wish for the PO to re-open.	• It does not link to the order and therefore will not re-open it • You must make note of the account codes from the original invoice

Pre-Requisite: ✓ Invoice Batch completed

✓ Query the invoice the credit note relates to and make note of the relevant account codes for the item/service

1. Amend the Type to **Credit Memo**. A pop up note will display once you leave that field, click **OK**.
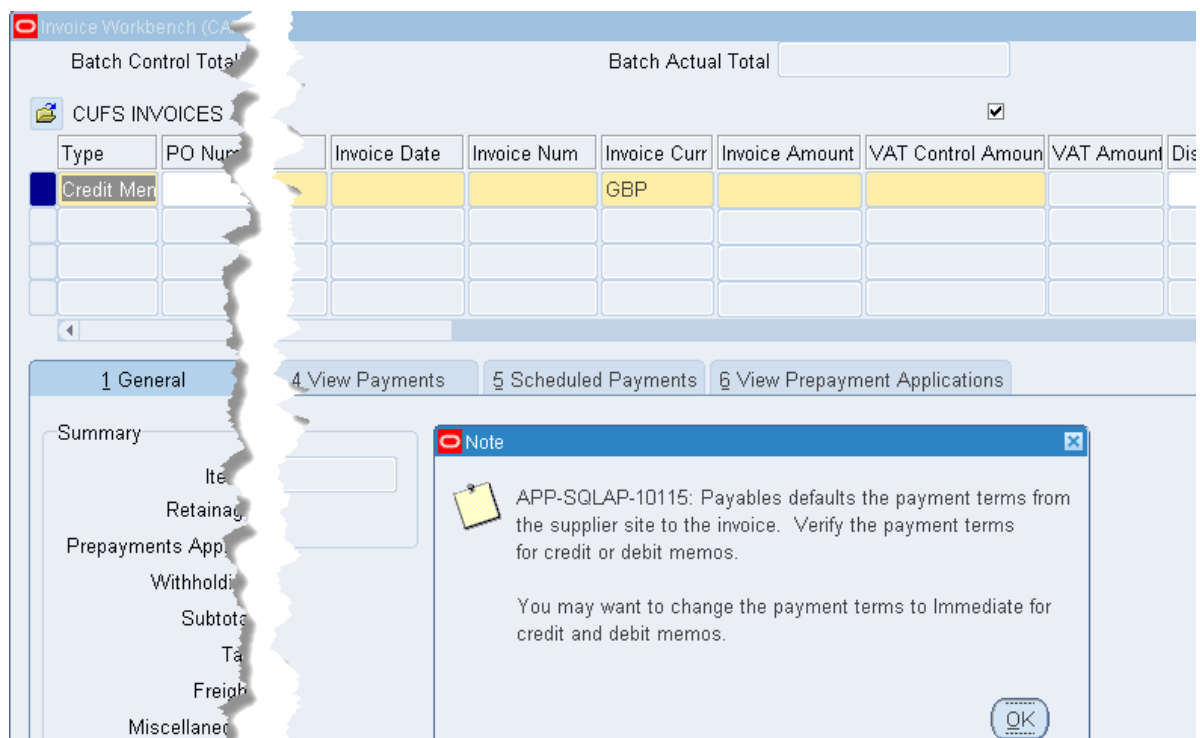
2. Complete the following fields:

   a. Supplier (this will default in supplier Number)
   b. Select the site from the List of Values, unless it defaults
   c. Invoice Date
   d. Invoice number
   e. Gross invoice amount in negatives
   f. VAT Control amount in negatives
   g. Description: Ensure you input the original invoice number the credit note relates to for audit purposes.

3. Check the terms are **Immediate.**

4. Click **Lines** and complete the following fields:
   a. Net amount, ensuring it's in negatives
   b. Tax Name
   c. Charge Account, if the invoice was originally coded to a GL code, enter the same code as per original invoice for the item/service
   d. Project fields, if the invoice was originally coded to a project, use the same code as the original invoice of the item/service

5. Click **Calculate Tax.**

6. Click **Actions 1 ….** To validate the credit note.

7. Click on **Holds** tab and check that it is awaiting secondary invoice approval.

Appendix A: Viewing and exporting AP distribution lines

Within AP on a multi line transaction, looking at 'All Distributions' it can be difficult to establish which tax line/s belongs to which item line. To assist with the identification of the associated lines, it is possible to display a new view of the distribution lines and then export the results.

Viewing and exporting these lines can be carried out from the invoice workbench screen within any AP responsibility as well as the Secondary Invoice Approval screen.

Viewing the distribution lines

1. Once the transaction has been processed in AP, ensure your cursor is in the header of the transaction and navigate to **Reports**.
2. Click on **View All Distributions.**
3. A summary will display of all the distribution lines relating to the transaction. Please note in the example below that the screen shot doesn't show all the columns that will be displayed when viewing this screen.

Invoice Distributions
* Indicates required field

Supplier EARTH SCIENCES
Invoice Number 917763
Invoice Id 6203510

All Distributions

Line Number	Associated Item Line Number	Line Type	Recovery Rate	Tax Name	Description	Status	Amount	GL Date	Posted to GL	
1	1	Item				Validated	240.00	01-Jun-2016	No	U.N
4	1	Nonrecoverable Tax	100	INTERNAL	LB Internal Trading	Validated	0.00	01-Jun-2016	No	U.N
4	1	Recoverable Tax	0	INTERNAL	LB Internal Trading	Validated	0.00	01-Jun-2016	No	U
2	2	Item			LB Internal Trading	Validated	(240.00)	01-Jun-2016	No	U.N
4	2	Nonrecoverable Tax	100	INTERNAL	LB Internal Trading	Validated	0.00	01-Jun-2016	No	U.N
4	2	Recoverable Tax	0	INTERNAL	LB Internal Trading	Validated	0.00	01-Jun-2016	No	U
3	3	Item			cost of data collection for JEFFREY POON'S,BO CHEN'S,PETER BASEVIC'S	Validated	240.00	01-Jun-2016	No	U.N
4	3	Nonrecoverable Tax	100	INTERNAL	cost of data collection for JEFFREY POON'S,BO CHEN'S,PETER BASEVIC'S	Validated	0.00	01-Jun-2016	No	U.N
4	3	Recoverable Tax	0	INTERNAL	cost of data collection for JEFFREY POON'S,BO CHEN'S,PETER BASEVIC'S	Validated	0.00	01-Jun-2016	No	U

4. All related lines will have the same associated item line number. The line number column relates to the numbering back within the AP lines screen.

Exporting all the distribution lines

If it is a multi line transaction, and to see all the information easily on one screen, you can export the results into excel once you have followed the steps above.

1. Click on **Export**, and a pop up will display to which you click on **Open.**

2. The results will now be displayed in an excel document.

3. An excel document will open with all the relevant information.