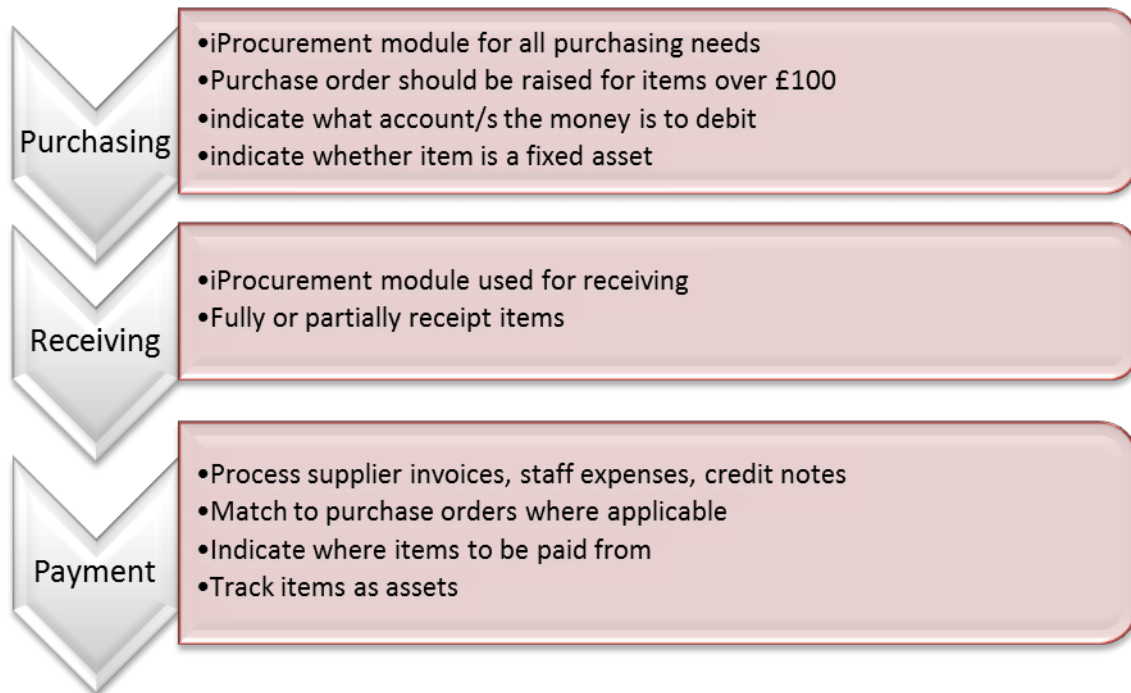




1. Purchase to Pay Process: An overview

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.



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.