

FINANCIAL INFORMATION SYSTEM

FIS Standard Curriculum

A/P Processing Part 1: Basic Data Entry



Course Objectives



This course will help you:

- Understand the Accounts Payable (A/P) Business Process
- Determine the correct A/P transaction
- Process A/P Invoice payments and Credit Memos
- Effectively use the “Alternate Payee” Option

Course Map



- Business Process of an A/P transaction
- Identifying A/P Transactions
- Using the “Enter Vendor Invoice” screen
- Using the “Enter Vendor Credit Memo” screen
- Using the Alternate Payee Option
- Understanding Tax Codes
- Posted A/P Documents & The Cheque Production Process

Business Process of an A/P transaction



- Step 1** Get approval for payment
- Step 2** Obtain FIS account information (e.g., FC, CC, G/L)
- Step 3** Process invoice in FIS
- Step 4** Note the system generated document number on the source document (e.g., invoice, expense report form) and if required, notify other parties of posting.
- Step 5** File document(s) in accordance with **UofT File Plan**

Forms: Expense Report/Accountable Advance Form

- <http://finance.utoronto.ca/forms/processing/>

GTFM Policy: U of T File Plan:

- <http://finance.utoronto.ca/policies/gtfm/financial-management/source-documents-and-the-audit-trail/records-management-archiving-and-destruction-of-records/>

Identifying A/P Transaction Screens



A/P Transactions:

1. **Enter Vendor Invoice** screen

Common Uses Include:

- **Processing a payment to an external vendor**, when the purchase is less than \$5,000 (before taxes)
- **Petty Cash Reimbursements** - small cash amounts given to departments to cover small purchases (i.e., \$100 or less)
- **Imprest Bank Account Reimbursements** – a small cheque amount deposited into departmental bank account to cover small purchases (i.e., \$500 or less)
- **Expense Reimbursements using U of T cheques**
(covered in A/P Part 2 course)

2. **Credit Memo** screen

Used when:

- To **apply a credit to an account for returned goods or overpayment**
(only when using a vendor with Vendor Master Record)

3. **Expense Reimbursement Direct Deposit (ERDD)** screen (covered in A/P Part 2 course)

Identifying A/P Transactions



Unique FIS codes are used to distinguish A/P transactions types:

	Invoice <i>not</i> requiring a P.O. (and Cheque Requests)	Credit Memo	Expense Reimbursement (non ERDD)	Petty Cash Replenishment	Imprest Account Replenishment
Document Type	KN	KG	KE	KC	KI
Description in FIS	A/P Vendor invoice	Vendor Credit	Expense Reimbursement	Petty Cash Fund	Imprest Expense
Document Number series (10 digit numbers)	19xxxxxxxx	19xxxxxxxx	23xxxxxxxx	21xxxxxxxx	22xxxxxxxx

GTFM - Policy:

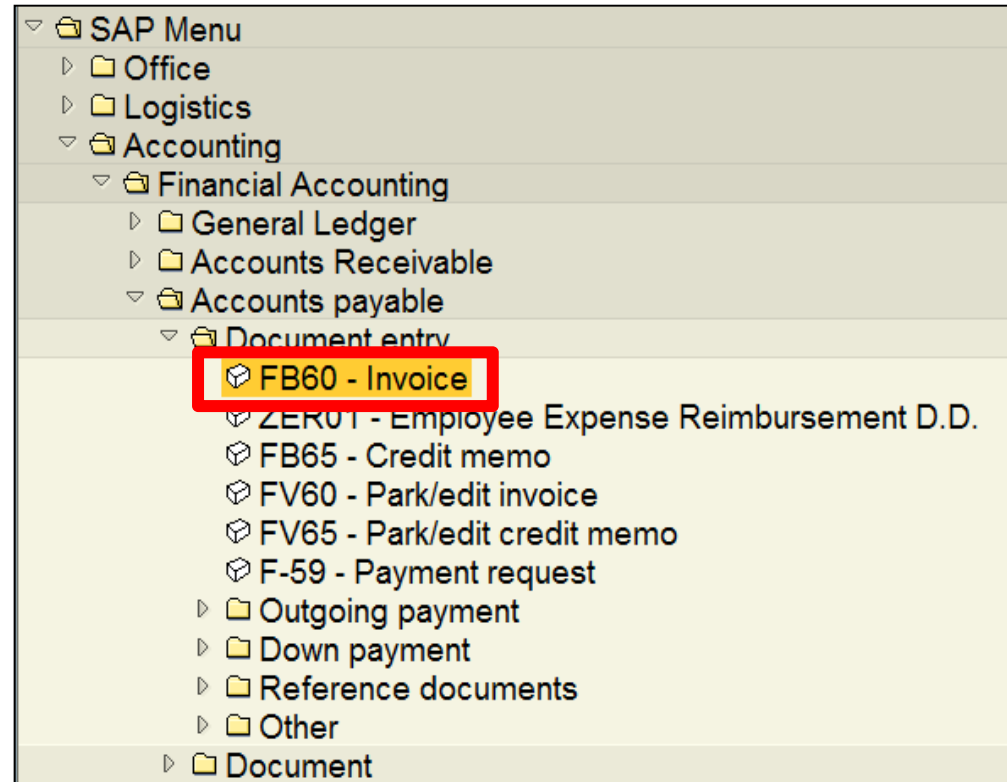
- Certified Invoices: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/certified-invoices/>
- Payments without Invoices Processed in FIS: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/payments-without-invoices-processed-through-fis/>
- Petty Cash: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/petty-cash/>
- Imprest Expenditure Bank Account: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/imprest-expenditure-bank-account/>
- Purchasing and Payment: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/>
- Expense Reimbursements: <http://finance.utoronto.ca/policies/gtfm/travel-and-other-reimbursable-expenses/>

Using the Enter Vendor Invoice Screen



SAP Menu Path: Accounting
>> Financial Accounting >>
Accounts Payable >>
Document Entry >> Invoice

Transaction Code: FB60



QRG: Create Invoice

<https://sapdocs.easi.utoronto.ca/gm/folder-1.11.2573?mode=EU>

Using the Enter Vendor Invoice Screen (cont'd)



Input screen & Document types processed through this transaction:

Enter Vendor Invoice: Company Code UOFT

Tree on Company Code Hold Simulate Park

Transactn **Invoice** Bal. 0.00

Basic data Payment Details Tax Notes

Vendor []

Invoice date [] Reference []

Posting Date 04.10.2013 Period 6

Document Type **KN:A/P Vendor inv...**

Cross-CC no. []

Amount [] Calculate tax

Text []

Company Code UOFT University of Toronto

0 Items (Screen Variant : Line Item Entry - FB60 + FB65)

Status	G/L acct	Short Text	D/C	Amount in doc.cu...	Co...	Tax code	Business a...	Cost center	Order	Funds
			Debit		UOFT					
			Debit		UOFT					

The **Invoice** transaction (default):

- "Transactn" = "Invoice"
- "Document Type" = "KN"
- line items = "Debit"

FIS Vendor Match Code Search



Transactn Invoice

Basic data Payment Details Tax Notes

Vendor

Invoice date Reference

Click in the “Vendor” field for the **Match Code Search** button

If the Vendor Number is unknown, use the Match Code Search to locate number by:

1. Partial Name
2. Partial Vendor #
3. Postal Code

Account or Matchcode for the Next Line Item (2)

Vendors (by name) Vendors (by acct. group) Proceed Initially Accor...

Account group

Name *grand*

Name 2

Vendor

Postal Code

City

Search term

Maximum No. of Hits 500

FIS Vendor Account Groups (cont'd)



Account or Matchcode for the Next Line Item (2) 17 Entries found

0: Vendors (by name) 1: Vendors (by acct. group) V: Proceed Initially According to Creditor Sub-Ledger Account

Group	Name 1	Name 2	Vendor	PostalCode	City	SearchTerm
YEAD	JEAN DE GRANDPRE	C/O TED SHEPHERD	503087		U OF T	DEGRANDPRE
YERD	SANDRA E GRANDE	WOODSWORTH COLLEGE	842782	M5S 1A9	TORONTO	GRANDE
YERD	SHARON GRANDISON	FACULTY OF KINESIOLOGY &	838295	M5S 2W6	TORONTO	GRANDISON
YRCA	BISTRO GRANDE RESTAURANT		115932	M6C 2C5	TORONTO	A/P & PO
YRCA	GRAND & TOY		100816	L4L 9C7	VAUGHAN	PO ONLY
YRCA	GRAND & TOY		100817	M3C 3L5	DON MILLS	A/P ONLY
YRCA	GRAND FINANCIAL MANAGEMEN		122035	L4K 5X1	VAUGHAN	A/P AND PO
YRCA	GRAND TORONTO VENTURE, LP		123246	M5R 2E8	TORONTO	A/P AND PO
YRCA	GRANDE-ALLEE		116390	H3A 2L1	MONTREAL	A/P AND PO
YRCA	GRANDMOTHER'S TOUCH INC		125966	L4W 4N5	MISSISSAUGA	A/P AND PO
YRCA	GRANDVIEW CHILDREN'S CENT	ATTN: SANDRA ADAMS - FINA	125602	L1H 7K6	OSHAWA	A/P & PO
YRCA	GRANDVIEW PRODUCTIONS		105400	M4B 3C3	TORONTO	A/P AND PO
YRCA	JD GRANDT PIANO SUPPLY CO		106795	L4E 2W1	RICHMOND HILL	A/P AND PO
YRCA	LIBERTY GRAND ENTERTAINME	EXHIBITION PLACE	111281	M6K 3C3	TORONTO	A/P AND PO
YRCA	THE EGLINTON GRAND		122930	M5N 1A2	TORONTO	AP AND PO
YRUS	GRAND VALLEY STATE UNIVER		301455	49401-9403	ALLENDAE	A/P AND PO

Example: Search for a vendor whose name includes 'grand'.

Result:

- when selecting a vendor, ensure the appropriate "A/P only" or "A/P AND PO" vendor is chosen in the *Search Term* column

FIS Vendor Account Groups (cont'd)



When reference is made to a “**Canadian**”, “**US**” or “**Foreign**” vendor account, it is referring to:

- **Payment CURRENCY** (not the vendor address **country code**)

Vendor’s may have a multiple vendor numbers depending their preferred payment currency. Ensure you select the vendor number based on the **payment currency** and **NOT their address**.

***Important!:** If a vendor requests payment in a currency outside of their vendor group, **contact Procurement Services** to create a new vendor number reflective of the requested currency (e.g., foreign vendor (4xxxxx) requests payment in USD; a US vendor (3xxxxx) should be created).

Example:

- **Vendor:** Hitachi Canada LTD - *wants to be paid in **U.S.** dollars*
- **Address:** PO Box in Toronto (*country code = CA*)
- **Vendor number:** 3xxxxx (not 1xxxxx)

FIS Vendor Account Groups (cont'd)



Canadian Currency Vendors:

Vendor Number: 1XXXXXX

US Currency Vendors:

Vendor Number: 3XXXXXX

Foreign Currency Vendors:

Vendor number: 4XXXXXX

Note: The method of payment to a vendor depends on the payment currency.

- **CAN** and **USD** currency payments are issued by cheque
- Payments in **Foreign** currency are issued using a Foreign Draft

Basic Data tab



Once the Vendor Number has been determined, enter remaining required information in the **Basic Data** tab.

Enter Vendor Invoice: Company Code UOFT

Tree on Company Code Hold Simulate Park

Transactn Invoice

Basic data Payment Details Tax Notes

Vendor	100333		
Invoice date	03.08.2018	Reference	72520
Posting Date	03.08.2018	Period	4
Document Type	KN:A/P Vendor invoic		
Cross-CC no.			
Amount	973.48	CAD	<input checked="" type="checkbox"/> Calculate tax
Text	72520, Dell Canada, Computer Supplies and Software		
Paymt terms	35 Days net		
Baseline Date	03.08.2018		
Company Code	UOFT University of Toronto		

Reference: refer to source document (e.g., invoice #)

Invoice Date: Issue date of the invoice document

Important! This date determines when the cheque is issued (use calendar to select date)

Amount: Amount to be paid to vendor, including taxes (i.e., payment indicated on invoice doc).

Text: A description of the payment.

Recommended - Invoice Number, Vendor Name and brief description (e.g., 123456, Grand & Toy, Office Supplies)

Sample FIS Transaction



Vendor Invoice Transaction

- G/L acct (FI)
- Business Area (FI)
- Funds Center (&/or Fund) (FM)
- Cost Center or Internal Order (CO)

Enter Vendor Invoice: Company Code UOFT

Tree on | Company Code | Hold | Simulate | Park

Transactn: Invoice

Basic data | Payment | Details | Tax | Notes

Vendor: 100333

Invoice date: 03.08.2018 | Reference: 72520

Posting Date: 03.08.2018 | Period: 4

Document Type: KN:A/P Vendor invoice

Cross-CC no.

Amount: 973.48 | CAD | Calculate tax

Text: 72520, Dell Canada, Computer Supplies and Software

Paymt terms: 35 Days net

Baseline Date: 03.08.2018

Company Code: UOFT University of Toronto

Bal. 0.00

Vendor Address:
Dell Canada Inc.
Station "A"
P.O. Box 8440
Toronto ON M5W 3P1
416-758-2242

3 Items (Screen Variant : Line Item Entry - FB60 + FB65)

Status	G/L acct	Short Text	D/C	Amount in...	Business area	Cost center	Order	Funds center	Fund	Commitment itm
✓	821110	Equip:Comput...	Debit	849.99	1000	208128		208128	400206	SUPPLIES
✓	825200	Computer Soft...	Debit	109.99	1000		920130	200818		EXP-UTFA
✓	825820	Computer Sup...	Debit	13.50	1000	13424		100654		SUPPLIES
			Debit							

↑
FI

↑
FI

↑
CO

↑
CO

↑
FM

↑
FM

↑
FM

Using the Alternate Payee Addressing Option



Individual (Alternate) Payee option:

- Re-directs a vendor payment to an alternate address using an established vendor number
- Eliminates the need to re-enter the “**Payee**” name
- Enables the continued tracking of purchases from the vendor
- Is used **instead** of an OTA vendor number

Accessing Individual Payee Option:

1. Complete required fields on the “**Basic data**” tab
2. Select the “**Payment**” tab
3. Click the “**Individual payee**” checkbox
4. Enter the alternate address in the pop-up window

The screenshot shows the SAP 'Enter Vendor Invoice' interface for Company Code UOFT. The 'Payment' tab is selected and highlighted with a red box. Below the main data fields, the 'Individual payee' checkbox is also highlighted with a red box. On the right side, a vendor address pop-up window is visible, showing details for Dell Canada Inc. A red arrow points from the 'Individual payee' checkbox to this pop-up window.

The vendor selected appears on the right side of screen

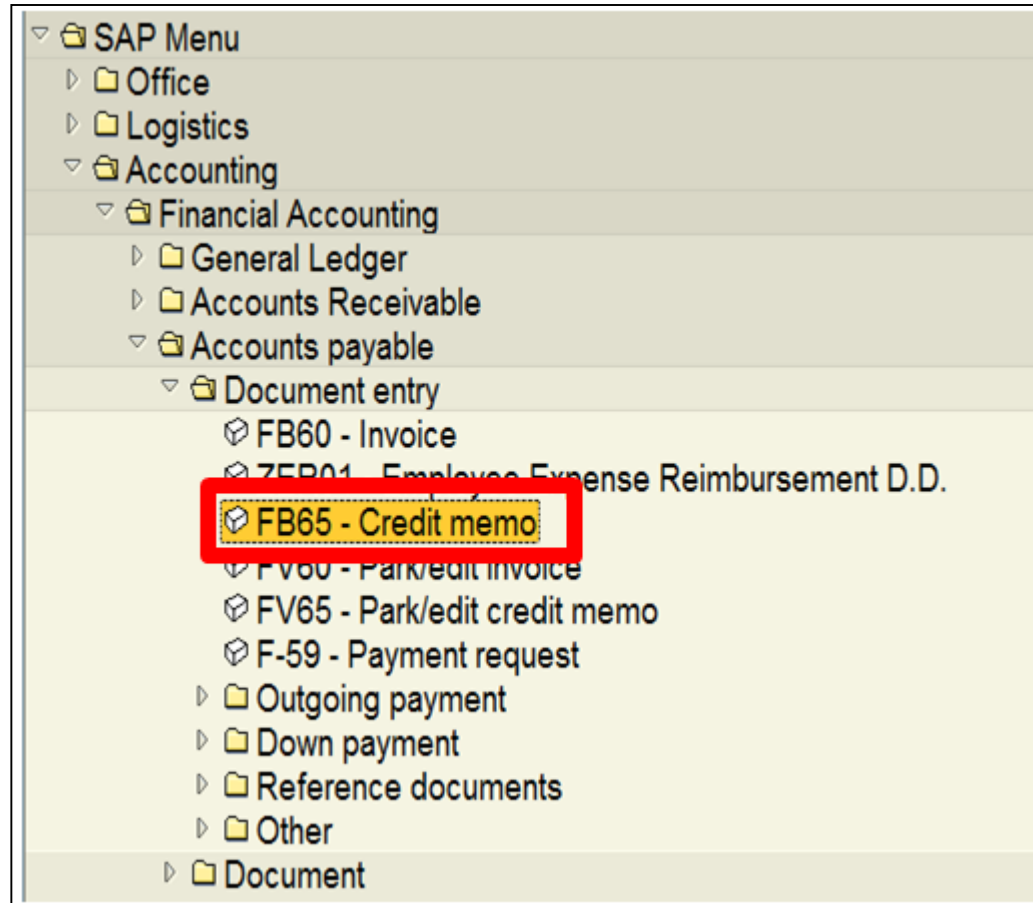
QRG: Using Alternate Payee Address
<https://sapdocs.easi.utoronto.ca/gm/folder-1.11.2570?mode=EU>

Using the Enter Vendor Credit Memo Screen



SAP Menu Path: Accounting
>> Financial Accounting >>
Accounts Payable >>
Document Entry >> Credit
Memo

Transaction Code: FB65



QRG: Credit Memo

<https://sapdocs.easi.utoronto.ca/gm/folder-1.11.2623?mode=EU>



Using the Enter Vendor Credit Memo Screen (cont'd)

Posting a **Credit Memo** issued by a vendor (in place of a refund for goods returned):

Enter Vendor Credit Memo: Company Code UOFT

Tree on Company Code Hold Simulate Park

Transactn **Credit memo** Bal. 0.00

Basic data Payment Details Tax Notes

Vendor []

Document date [] Reference []

Posting Date 04.10.2013 Period 6

Document Type **KG:A/P Vendor cr...**

Cross-CC no. [] Calculate tax

Amount []

Text []

Company Code UOFT University of Toronto

Lot No. []

0 Items (Screen Variant : Line Item Entry - FB60 + FB65)

Status	G/L acct	Short Text	D/C	Amount in doc.cu...	Co...	Tax code	Business a...	Cost center	Order	Funds
			Credit		UOFT					
			Credit		UOFT					

The **Credit Memo** transaction (default):

- "Transactn" = "Credit memo"
- "Document Type" = "KG"
- line items = "Credit"

Understanding Tax Codes



Use of the correct tax codes ensures that:

- Taxes are remitted
- Rebates are collected by the University

HST is comprised of a GST and an OVAT component.

	Regular HST Rate	UofT Tax Rebate	UofT Tax Rate
GST	5%	67%	1.65%
OVAT	8%	78%	1.76%
Total	13%	72.5% average	3.41%

Understanding Tax Codes (cont'd)



Example:

An invoice for \$113.00 (\$100.00 + 13% HST)

Purchase using tax code: E1

Cost:	\$100.00
HST (8% OVAT + 5% GST):	\$13.00
Invoice total (amt. paid to vendor):	\$113.00
OVAT Rebate @ 78%:	-\$6.24
GST Rebate @ 67%:	-\$3.36
Net Departmental Cost:	\$103.41

Additional Tax questions?

Contact: fast.help@utoronto.ca

FIS Tax Codes



Common Tax Codes used in purchase transactions:

Tax Code	Explanation
E1	GST Rebate 67% OVAT Rebate 78% → 3.41% effective tax rate
E0	HST 0% (exempt)
E4	GST 5% (on invoice): non-HST province Self-Assess 8% → 3.41% effective tax rate
ES	HST 13% not charged but applies Self-Assess 13% → 3.41% effective tax rate

Tax Code Hints

<u>E</u> xpense Tax Codes	Use G/L acct.'s in 8xxxxx series
<u>R</u> evue Tax Codes	Use G/L acct.'s in 7xxxxx series
J9	Internal Use Only; HST exempt Internal expense transfers and corrections (G/L acct. 8xxxxx)
S9	Internal Use Only; HST exempt Internal sales/recoveries and corrections (G/L acct. 7xxxxx)

Tax Code Summary Table:

https://finance.utoronto.ca/wp-content/uploads/2015/09/HST-Tax-Code-Summary-Table_updated-20171129.pdf

Posted A/P Documents & The Cheque Production Process



Cheque Production Process:

1. **Who** is responsible for cheque production?

- Payment Inquiries (Accounts Payable), Financial Services Department.
 - All cheques are printed and mailed centrally

NOTE:

Mailing address on cheque is taken from the Vendor Master Record with the following exceptions:

- when an OTA vendor is used **or**
- when the “Alternate Payee Address” option is used

QRG: Enter Invoice Using One Time Only Vendor – FB60

- <https://sapdocs.easi.utoronto.ca/gm/folder-1.11.2567?mode=EU>

QRG: Enter Invoice Using Alternate Payee Address- FB60

- <https://sapdocs.easi.utoronto.ca/gm/folder-1.11.2570?mode=EU>

FAQs: Addressing Cheques

- <http://finance.utoronto.ca/faqs/addressing-cheques/>

Posted A/P Documents & The Cheque Production Process (cont'd)



2. When are the cheques produced?

- **Cheques** are produced on **Wednesdays**
 - **Canadian and US Dollar Cheques**
 - **Foreign Currency Drafts**
 - **Expense Reimbursement Cheques**
(does not include ERDDs)

FAQs: Cheque Production

- <http://finance.utoronto.ca/faqs/cheque-production/>

Posted A/P Documents & The Cheque Production Process (cont'd)



3. How is a posted A/P document selected for inclusion in the cheque run?

System looks at **2** pieces of information:

- **Invoice (document) date**
- **Payment terms**

Example:

A document has an **invoice (document) date of June 1** and the **payment terms are YT05 (35 days)**.

Explanation:

The cheque will be produced during the cheque run scheduled on or immediately before **July 6** (June 1 + 35 days). If the document was entered after the due date (i.e., July 6), the cheque will be produced in the next cheque run.

Course Objectives



Review:

- Understand the Accounts Payable (A/P) Business Process
- Determine the correct A/P transaction
- Process A/P Invoice payments and Credit Memos
- Effectively use the “Alternate Payee” Option

WEB Documentation



- **Reference Guides:**

All Accounts Payable invoice transactions

<http://finance.utoronto.ca/fast/support-documentation/financial-accounting/accounts-payable/invoice/>

- **Financial Forms**

<http://finance.utoronto.ca/forms/processing/>

- **Guide to Financial Management (GTFM):**

Purchasing & Payments to Vendors

<http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/>

- **Frequently Asked Questions (FAQ):**

<http://finance.utoronto.ca/faqs/>

- **Tax Code Summary**

https://finance.utoronto.ca/wp-content/uploads/2015/09/HST-Tax-Code-Summary-Table_updated-20171129.pdf

NEED HELP?



<https://easi.its.utoronto.ca/ams-help-form/>

Help is a facility for all AMS subsystems:

- Use the WEB form found at the above address
- Select the appropriate AMS module
(e.g., FIS: FAST Team)
- Complete all the information required on the form
- Click on the **Send it!** button

**Mail box is monitored Monday to Friday
9:00 a.m. - 5:00 p.m.**

FAST Team Contacts



Manager	Chris Dimitriadis chris.dimitriadis@utoronto.ca	946-3153
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FIS Standard Curriculum Evaluation:

<http://finance.utoronto.ca/fast/fis-training/course-evaluation-fis-training/>

FAST website:

<http://finance.utoronto.ca/fast/>