

FINANCIAL INFORMATION SYSTEM

FIS Standard Curriculum

Logistics Part 2: Goods Receipts and Invoice Receipts

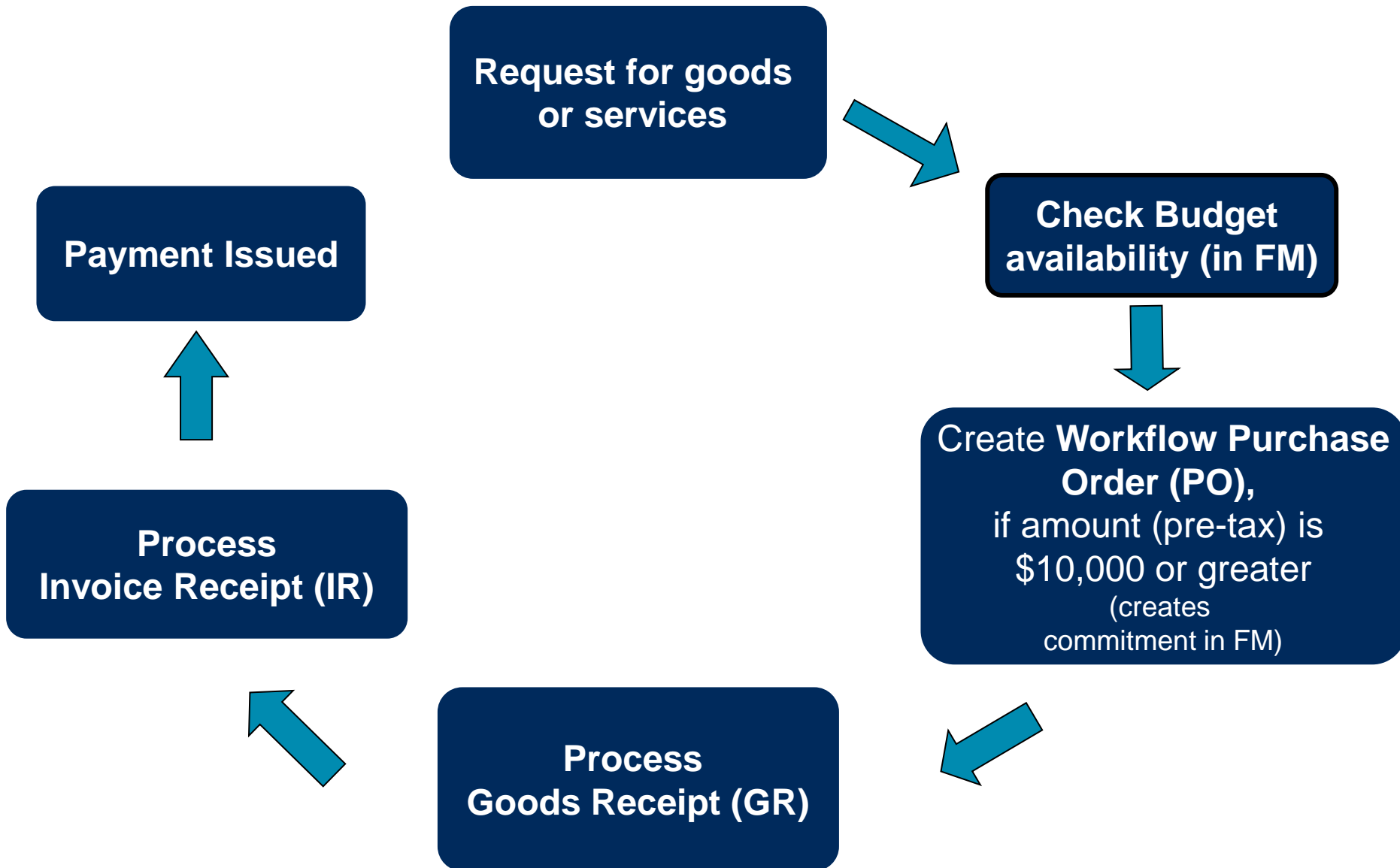


Course Objectives

This course will help you:

- Understand when to create Goods Receipts and Invoice Receipts
- Process Goods Receipts and Invoice Receipts
- Reverse Goods Receipts and Invoice Receipts
- Finalize and cancel PO line items

Overview of PO Purchasing Cycle



Purchase Orders: What are They?

Purchase Order (PO)

A contract between a customer and a vendor regarding the purchase of goods and/or services with terms and conditions of the purchase.

When is a PO required?

For all purchases and leases that are \$10,000 or greater (before taxes), at St., George Campus and UTM.

As an FIS transaction:

PO document creates a **commitment** in a FC or FC/Fund combination

What is PO Workflow?

- Workflow includes **standard Purchase Orders** and **Lease Purchase Orders regardless of dollar value**
- PO Workflow is built into SAP and streamlines the Purchase Order Process, and automates the Procurement compliance review.



Goods Receipt (GR):

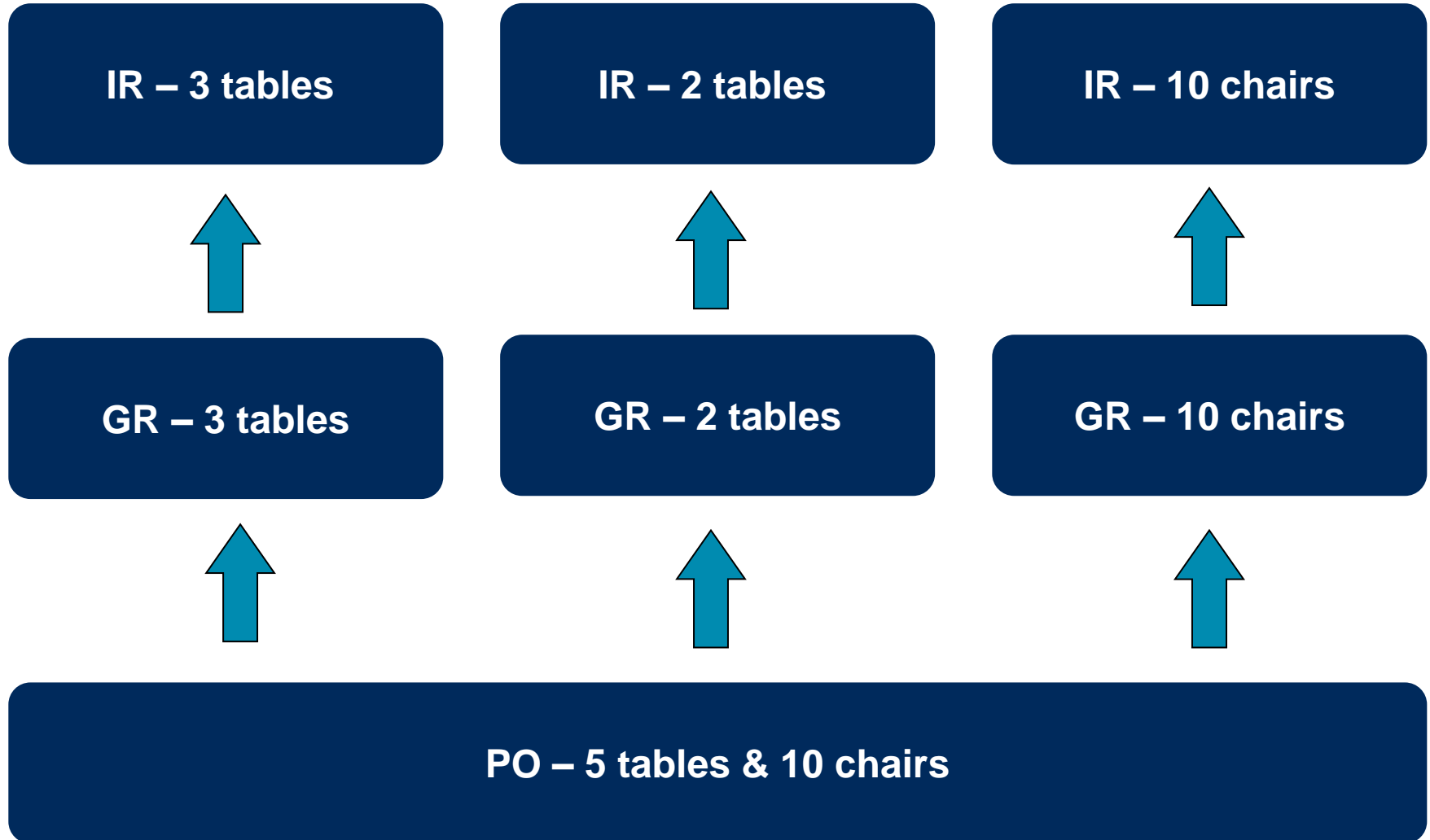
- indicates goods and/or services have been received (as specified in the P.O. document).
- can refer to either the entire P.O. or parts of it (i.e., partial shipment).

Invoice Receipt (IR):

- acknowledges that the vendor has sent an invoice
- represents vendor's **formal request for payment** for goods/services delivered

Note: An IR can be only be processed if a GR has been processed.

GRs & IRs



Purchase Order History Tab

WNB:Standard WF PO 4500175773 Vendor 100533 Patrick Cassidy & Associates... Doc. Date 03.08.2021

Header

Item	S...	Itm	A	Material	Short Text	PO Quantity	OUn	Deliv. Date	Net Price	Curre...	Per	O...	Matl Group	Plnt	Stor. L
		1	K		standing desk		2 EA	03.08.2021	599.00 CAD		1	EA	Furniture-Furn...	U OF T, ST. GEORG...	ACCT
		2	K		task chairs		10 EA	03.08.2021	199.00 CAD		1	EA	Furniture-Furn...	U OF T, ST. GEORG...	ACCT
		3	K		lounge chairs		10 EA	03.08.2021	179.00 CAD		1	EA	Furniture-Furn...	U OF T, ST. GEORG...	ACCT

Item [2] task chairs

Material Data | Quantities/Weights | Delivery Schedule | Delivery | Invoice | Conditions | Account Assignment | **Purchase Order History** | Texts | Delivery Address | Condition C

Sh. Text	MVT	Material	Document	Item	Posting Date	Quantity	Delivery cost	quantity	OUn	Amt.in	Loc.Cur.	L.cur	Qty in	OPUn	DelCostQty	(OPUn)	Order Price	Unit	Amount	Crcy	Reference
GR		101	5000614991		1 03.08.2021	1		0	EA	205.79	CAD		1		0	EA			205.79	CAD	
GR		101	5000614990		1 03.08.2021	4		0	EA	823.14	CAD		4		0	EA			823.14	CAD	
Tr./Ev. Goods receipt						5			EA	1,028.93	CAD		5			EA		1,028.93	CAD		
IR-L			5200592549		1 03.08.2021	4		0	EA	823.14	CAD		4		0	EA			823.14	CAD	
Tr./Ev. Invoice receipt						4			EA	823.14	CAD		4			EA		823.14	CAD		

The **Purchase Order History** tab will **only** be available if a GR has been processed.

GR – What is it?

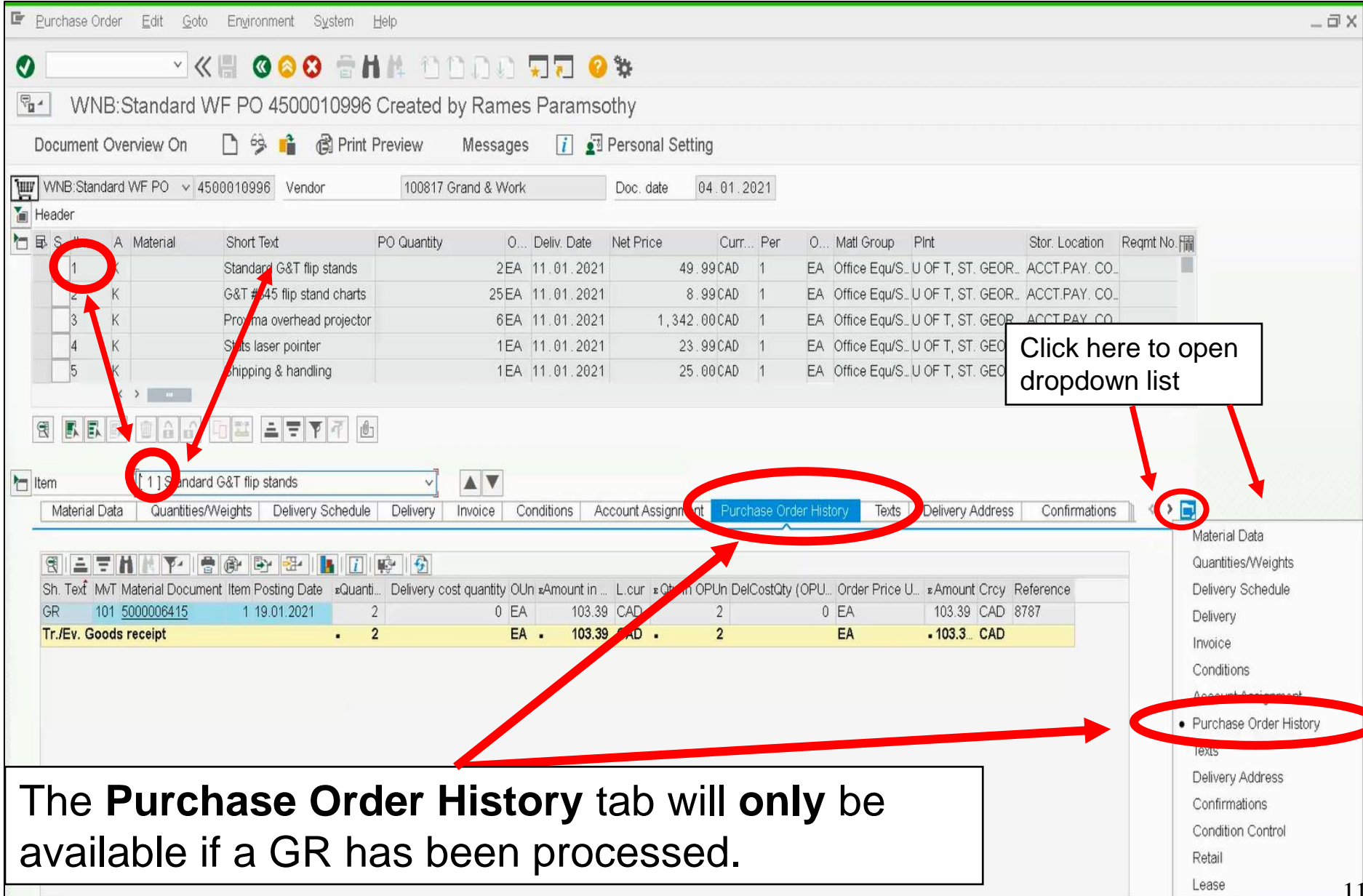
- indicates goods and/or services have been received (as specified in the P.O. document).
- can refer to either the entire P.O. or parts of it (i.e., partial shipment).
- is recorded on the **Purchase Order History** tab within the P.O., which provides a tracking mechanism indicating the status of the goods.
- Records as:
 - an **accrued liability** in **Financial Accounting**
 - an **actual** expense to the **Cost Center** or **Internal Order** in **Controlling** as well as Funds Center or Funds Center/Fund combination in **Funds Management (i.e., releases commitment)**

Note: As of September 1st, GR now posts as an actual to the FC or FC/Fund in Funds Management. This document will appear in Monthly Statement Accounts and all other FM reports.

GR – The Business Process

- Step 1:** Confirm goods delivered is related to a PO
- Step 2:** Verify the packing slip or delivery note information provided by vendor. If no **packing slip** is included, create your own **receiving/material report**.
- Step 3:** Recipient acknowledges that goods or services are in acceptable condition
- Step 4:** Create GR in FIS
- Step 5:** Record FIS GR document number on your supporting document
- Step 6:** File document(s) in accordance with **UofT File Plan**

Purchase Order History Tab



The screenshot shows the SAP Purchase Order History interface. The main window title is "Purchase Order" with a menu bar (Edit, Goto, Environment, System, Help) and a toolbar. The document header shows "WNB:Standard WF PO 4500010996 Created by Rames Paramsothy". Below this, there are fields for "Document Overview On", "Print Preview", "Messages", and "Personal Setting". The main data area displays a table of items with columns: S, A, Material, Short Text, PO Quantity, O... Deliv. Date, Net Price, Curr... Per, O... Matl Group, Plnt, Stor. Location, and Reqmt No. The first row is circled in red, and a red arrow points from it to a dropdown menu icon in the bottom right corner. A text box says "Click here to open dropdown list". The bottom navigation bar has several tabs: "Material Data", "Quantities/Weights", "Delivery Schedule", "Delivery", "Invoice", "Conditions", "Account Assignment", "Purchase Order History" (circled in red), "Texts", "Delivery Address", and "Confirmations". A red arrow points from the "Purchase Order History" tab to a dropdown menu on the right side of the screen. The dropdown menu lists various options, with "Purchase Order History" circled in red. Below the dropdown menu, there is a table with columns: Sh. Text, MvT, Material, Document, Item, Posting Date, Quant..., Delivery cost quantity, OUn, Amount in..., L. cur, OUn, OPU, DelCostQty, (OPU..., Order Price U..., Amount CrCY, and Reference. The first row is highlighted in yellow. A red arrow points from the "Purchase Order History" tab to a text box at the bottom of the screen.

Click here to open dropdown list

The **Purchase Order History** tab will only be available if a GR has been processed.

Receiving Report

If goods are received without a packing slip, departments are required to create a **Receiving Report** as a substitute. The Receiving Report acts as the source document when processing a Goods Receipt.

When creating a receiving report, it must include:

- Supplier's name and address
- Receiving location (e.g., department's street address, building, room number)
- Quantity received
- Description of all items received
- Signature (and printed name) of the individual who inspected the goods
- Purchase Order number
- Is this a partial shipment?
- Indication that the goods have been received in good condition or are to be returned to the vendor, and if so, include a short explanation of the reason for the return
- Document number provided by the system once goods receipt is posted

GTFM Policy: Receiving Report

- <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/purchase-order-invoices/#receiving>

IR – What is it?

Invoice Receipt (IR):

- acknowledges that the vendor has sent an invoice
- represents vendor's **formal request for payment** for goods/services delivered

Note: An IR can be only be processed for an item if a GR has already been processed.

GTFM Policy: Purchase Order Invoice or Invoice Receipt

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

IR – The Business Process

- Step 1:** Receive vendor invoice requesting payment.
- Step 2:** Determine PO related to invoice payment.
- Step 3:** Verify that goods are received in satisfactory and agreed upon condition
- Step 4:** Ensure Goods Receipt document has been posted in FIS
- Step 5:** Create IR in FIS
- Step 6:** Record FIS IR document number on your supporting document and file according to the U of T File plan

QRG: Create Invoice (PO related) for an Invoice Receipt

- <http://finance.utoronto.ca/wp-content/uploads/2015/11/Create-Invoice-or-Credit-Memo-purchase-order-related-Converted.pdf>

IR – The Purchase Order History tab

Purchase Order Edit Goto Environment System Help

WNB:Standard WF PO 4500010996 Created by Rames Paramsothy

Document Overview On Print Preview Messages Personal Setting

WNB:Standard WF PO 4500010996 Vendor 100817 Grand & Work Doc. date 04.01.2021

Header

S.	Itm	A	Material	Short Text	PO Quantity	O...	Deliv. Date	Net Price	Curr...	Per	O...	Matl Group	Plnt	Stor. Location	Reqmt No.
	1	K		Standard G&T flip stands		2EA	11.01.2021	49.99CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
	2	K		G&T #345 flip stand charts		25EA	11.01.2021	8.99CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
	3	K		Proxima overhead projector		6EA	11.01.2021	1,342.00CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
	4	K		Stats laser pointer		1EA	11.01.2021	23.99CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
	5	K		Shipping & handling		1EA	11.01.2021	25.00CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	

Item [1] Standard G&T flip stands

Material Data Quantities/Weights Delivery Schedule Delivery Invoice Conditions Account Assignment **Purchase Order History** Texts Delivery Address Confirmations

Sh. Text	MVT	Material	Document	Item	Posting Date	Quantity	Delivery	cost	quantity	OUn	Amount	in LC	Cur	Quantity	in OPU	DelCostQty	(OPUn)	Order Price	Unit	Amount	Crcy	Reference
GR		101	5000006415		1 19.01.2021	2			0	EA	103.39	CAD		2				0	EA	103.39	CAD	8787
Tr./Ev.						2				EA	103.39	CAD		2					EA	103.39	CAD	
IR-L		5200006679			1 19.01.2021	2			0	EA	103.39	CAD		2				0	EA	103.39	CAD	8787
Tr./Ev.						2				EA	103.39	CAD		2					EA	103.39	CAD	

Tr./Ev. Invoice receipt

Material Data
Quantities/Weights
Delivery Schedule
Delivery
Invoice
Conditions
Account Assignment
• Purchase Order History
Texts
Delivery Address
Confirmations
Condition Control
Retail
Lease

P.O. History tab after GR and IR have been processed

Adjustments to a Processed GR

GR Reversal:

If, **after the GR is processed**, goods are found to be **unsatisfactory**, and supplier is unable to replace them with satisfactory goods in a timely manner, return the goods to suppliers for credit.

GTFM Policy: Returning Goods to Suppliers

- <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/purchase-order-invoices/#returning>

QRG: Goods Receipt Create or Reverse

- <http://finance.utoronto.ca/wp-content/uploads/2015/09/grcreatereverse1.pdf>

Adjustments to a Processed IR

Adjustments to processed IR documents depend on its **cheque status**:

1. Cheque NOT issued → IR reversal
2. Cheque issued & NOT cashed → Request stop payment
3. Cheque cashed → Credit Memo

FAQ: Verifying Whether a Cheque has been Produced/Cashed

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

Adjustment to a Processed IR: IR Reversal

Cheque Not Issued → IR reversal:

If **cheque** has **NOT** been issued, refer to the **Cancel Invoice Receipt** reference guide to learn how to:

- reverse the IR document
- contact **Accounts Payable** to cancel/clear the associated FI documents (51xxxxxxx)

QRG: Cancel Invoice Receipt (IR)

- <http://finance.utoronto.ca/wp-content/uploads/2015/11/Cancel-Invoice-Receipt-Converted.pdf>

Adjustment to Processed IR: Request Stop Payment

Cheque issued, NOT cashed → Request stop payment

1. Complete the **Cheque/Draft Re-issue or Cancel Request Form**.
2. Scan and email the form to **Accounts Payable** in the Financial Services Department via email at ap.fsd@utoronto.ca. Also, **if you are in possession of the cheque** attach a scanned copy of it in the email.

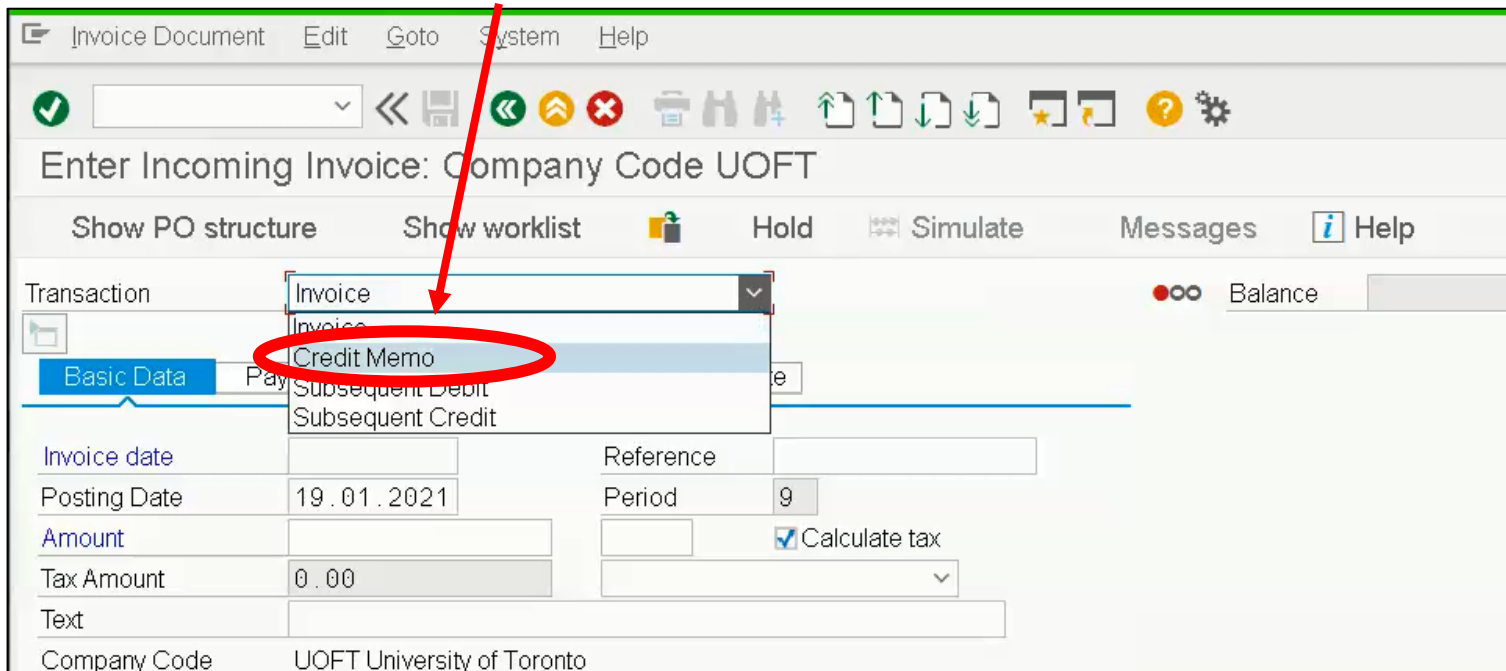
Include the following in your email:

- your **Contact information**
- **Cheque number**
- **Document numbers** (each IR is issued two document numbers)
 - Logistics IR document number: 52xxxxxxxx
 - FI document number: 51xxxxxxxx
- **Reason** for the Stop Payment
- Whether or not cheque will be **reissued**

Adjustment to a Processed IR: Credit Memo

Cheque HAS been cashed → Credit Memo

When entering a **PO related Credit Memo**, enter the “**Enter Invoice**” screen and change the transaction to “**Credit memo**” :



Invoice Document Edit Goto System Help

Enter Incoming Invoice: Company Code UOFT

Show PO structure Show worklist Hold Simulate Messages Help

Transaction Invoice Invoice Credit Memo Subsequent Debit Subsequent Credit

Basic Data Pay

Invoice date Reference

Posting Date 19.01.2021 Period 9

Amount Calculate tax

Tax Amount 0.00

Text

Company Code UOFT University of Toronto

QRG: Create Invoice or Credit Memo (PO related)

- <http://finance.utoronto.ca/wp-content/uploads/2015/11/Create-Invoice-or-Credit-Memo-purchase-order-related-Converted.pdf>

Finding the Accounting #s

How to locate the FI document numbers for Purchase Order Goods Receipts and Invoice Receipts.

Simulation Link:

<https://finance.utoronto.ca/knowledgecentre/simulation-locate-fi-documents-po-goods-receipts-invoice-receipts/>

Cancelling a PO

Cancelling a PO:

Cancelling a PO releases the commitment in the FM account

Cancelling a line item (Trash Can):

- a) No items have been received (no GRs/IRs)
- b) Some items are no longer required
(i.e. 10 items ordered, 4 items received, 4 items paid for)

QRG: Finalize/Cancel a PO

- <http://finance.utoronto.ca/wp-content/uploads/2015/09/pofinalizecancl.pdf>

Course Objectives

This course will help you:

- Understand when to create Goods Receipts and Invoice Receipts
- Process Goods Receipts and Invoice Receipts
- Reverse Goods Receipts and Invoice Receipts
- Finalize and cancel PO line items

Guide to Financial Management (GTFM):

- Receiving Report: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/purchase-order-invoices/#receiving>
- Returning Goods to Suppliers: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/purchase-order-invoices/#returning>
- Purchase Order Invoice or Invoice Receipt: <http://finance.utoronto.ca/policies/gtfm/purchasing-and-payments-to-vendors/purchase-order-invoices/>

Quick Reference Guides (QRGs):

- Goods Receipt Create or Reverse: <http://finance.utoronto.ca/wp-content/uploads/2015/09/grcreaterreverse1.pdf>
- Create Invoice (PO related) for an Invoice Receipt: <http://finance.utoronto.ca/wp-content/uploads/2015/11/Create-Invoice-or-Credit-Memo-purchase-order-related-Converted.pdf>
- Cancel Invoice Receipt: <http://finance.utoronto.ca/wp-content/uploads/2015/11/Cancel-Invoice-Receipt-Converted.pdf>
- Purchase Order Finalize or Cancel: <http://finance.utoronto.ca/wp-content/uploads/2015/09/pofinalizecancl.pdf>

Frequently Asked Questions (FAQs):

- Purchase Orders – Goods Receipt – Invoice Receipts: <http://finance.utoronto.ca/faqs/purchase-order-goods-receipt-invoice-receipt/>
- Verifying Whether a Cheque has been Produced/Cashed: <http://finance.utoronto.ca/faqs/cheque-production/>



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

fast.help@utoronto.ca

Mail box is monitored Monday to Friday

9:00 a.m. - 5:00 p.m.

FAST Team Contacts



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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/>