FACILITIES MANAGEMENT
230 Approvals

U235: Invoice Approval
U235 INVOICE APPROVAL

SUBJECTS COVERED IN THIS UNIT:

- Introduction .......................................................... 4
- Invoice Approval Form ............................................ 6
- Approving Invoices ............................................... 12
INTRODUCTION

There are 2 types of purchase orders created by authorized FM employees:

1. For the purchase of Inventory
2. For the purchase of Service

Purchases for Inventory can be electronically received in COMPASS which verifies that the vendor/supplier/manufacturer fulfilled their obligations and should be paid.

Purchases for Service are NOT electronically received in COMPASS and therefore a formal invoice approval process must be followed to ensure vendors/contractors are paid accurately and timely.

This training describes FMs formal Invoice Approval process.
Who needs this training?

Anyone who orders products/services via a Service PO in COMPASS.
<table>
<thead>
<tr>
<th>Vendor/AP Actions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee approves purchase of Service (Training U213)</td>
<td>Vendor performs service</td>
</tr>
<tr>
<td>Vendor submits invoice for payment</td>
<td>AP enters invoice details in COMPASS</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee Actions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee receives e-mail notifying them of an invoice ready for approval</td>
<td>Employee accesses WebNow to view vendor invoice</td>
</tr>
<tr>
<td>Employee accesses COMPASS Invoice Approval Form</td>
<td>Employee reviews invoice and decides action to take</td>
</tr>
<tr>
<td>Employee enters comments if applicable to Line 1</td>
<td>Employee Approves or Rejects the invoice in COMPASS</td>
</tr>
</tbody>
</table>
Employee receives e-mail notifying them of an invoice ready for approval

Employee ‘clicks’ on the link in the email to launch WebNow
Employee access WebNow to review vendor invoice

Enter in your X.500 user name and the password assigned to you by the WebNow team (NOTE: neither the username nor the password can be changed)
Employee access WebNow to review vendor invoice

The invoice listed in the email will automatically ‘pop up’. The default view is shown to the left. The reason that it is shown at this size is to assist the user in quickly identifying if there is more than one page to the invoice. To zoom in, click on view >> resize >> fit width or by clicking the fit width icon.
Employee access WebNow to review vendor invoice
1. Access the Invoice Approval form from the Navigator screen.
2. Enter into Query Mode (F7 key or enter query icon 📊). Enter in the Voucher number as listed in the email you received*, execute the query (F8 or execute query icon 📊).

* You may also be alerted to an invoice that needs processing by viewing one of the Suspended Invoice reports (see the last two slides of this presentation for more info on these reports).
INVOICE SECTION
1. PO # and description for this invoice
2. The vendor # and vendor name
3. COMPASS ID of requester
4. The voucher # assigned by FM Accounts Payable
5. The invoice status. APPROVED: Invoice approved and ready for processing by AP SUSPENDED: The invoice is awaiting approval REJECTED: The invoice has been rejected 
6. Invoice creation date
7. The total dollar amount for this invoice
8. NOT USED BY FM
9. The amount of the invoice for this invoice
10. The total dollar amount of the PO

INVOICE LINES SECTION
11. Number of the line item
12. Description of the line item
13. The gross amount for this line item
14. NOT USED BY FM
15. The approved dollar amount (this line will be entered once the line is approved)
16. Area the invoice approver can enter comments – note: you must enter comments on line 1 if you are rejecting the invoice

COST INFORMATION SECTION
17. PO line amount for the highlighted line item
18. Invoice line amount for the highlighted line item
19. Invoice amount (to date) for the highlighted PO line item (or the first line item if no lines are highlighted).
20. Total dollar amount approved for the highlighted PO line item (or the first line item)

LINE STATUS SECTION
21. The line status section has a status field that indicates the status of the line item. If the status is SUSPENDED, the reason field displays the reason code for the suspended status.

A. Displays either POs requested by me or invoices awaiting my approval – click to toggle between the views

B. PO Number: Click the PO Number button to view the PO form for the PO listed

C. View: Click to view this invoice on the INVOICE form

D. History: Click to view invoice history for the PO. This may help in identifying duplicate invoices and other problems. Invoice history is displayed in a list format, with both header and line level information

E. Close PO: Click to close a PO without having to access the Purchase Order form. You will only be able to close POs that do not have active change orders.

F. Close PO Line: Click to close the PO line item associated with the highlighted invoice line item

G. Approve line or Reject Line: DO NOT USE. Either approve all or reject all

H. Approve all or Reject All: Click to approve or reject all listed line items at one time.

I. Save: Click to save any approvals you have made.

J. Cancel: Click to cancel any approvals you have made; this must be done before pressing the Save button.
Employee Reviews Invoice - Charges

Review what is being charged
- Are charges reasonable and expected?
- Are the charges against the right line?
- Do you expect any more invoices? (If PO Line Amt is greater than the Invoice Line Amt then the vendor may be submitting additional invoices. Review what was ordered vs. what is being billed.)
Review Invoice information to ensure accuracy

- Ensure vendor is charging the correct PO for the charges (sometimes vendors have multiple POs open at any time)
- Verify that the correct vendor is being paid (i.e. an invoice belongs to Grainger but the PO that is in the system will result in Graybar getting paid)
- Do you expect any more invoices? (If PO Line Amt is greater than the Invoice Amt, then you may receive additional invoices from the vendor – check what was ordered vs. what is being billed to determine answer)
Employee Decides Action to Take

• APPROVE – by approving an invoice, you are validating that the vendor provided the listed services, the charges are accurate and that the vendor should be paid

  NOTE: If Invoice Line Amt is greater than the PO Line Amt and everything is accurate, APPROVE and initiate a PO Change Order. When the PO Change Order is approved, the Invoice will automatically be processed.

• REJECT – by rejecting an invoice, you are stating that something is not correct with the invoice. It could be that the charges are incorrect, the vendor information is not accurate, or the wrong PO is listed.

  NOTE: If you decide to reject an invoice, you must first add comments to line 1 stating the reason you are rejecting the invoice.
Employee enters comments if applicable

The comments field in the invoice lines section is the area for you to communicate with Accounts Payable why you are taking the action on the PO. Comments are not needed if you are approving the invoice, however, if you elect to REJECT the invoice then you must add comments.
3. Select the appropriate action: Either Approve All or Reject All
4. If this is the last invoice you expect to receive for the PO, close the PO by clicking the Close PO button. You will only be able to close purchase orders that do not have active change orders.
Suspended Service Invoice Report by Requester

The Suspended Invoice Report – Service Invoices by Requester provides a list of invoices that are awaiting your approval. NOTE: the response time is how long the invoice has been awaiting your approval. Goal is to take action on Invoices within one business week. Failure to take action on the invoices holds up payment to the vendor.

<table>
<thead>
<tr>
<th>Days Old</th>
<th>Vendor Name</th>
<th>PO #</th>
<th>Invoice No.</th>
<th>Voucher #</th>
<th>Amount</th>
<th>Invoice Date</th>
<th>Enter Date</th>
<th>Response Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>104</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35050950</td>
<td>PV004258.23</td>
<td>$105.00</td>
<td>7/2/10</td>
<td>7/19/10</td>
<td>177</td>
</tr>
<tr>
<td>187</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35051309</td>
<td>PV004258.24</td>
<td>$183.75</td>
<td>7/20/10</td>
<td>7/19/10</td>
<td>177</td>
</tr>
<tr>
<td>231</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35049993</td>
<td>PV00414440</td>
<td>$125.00</td>
<td>5/26/10</td>
<td>11/1/10</td>
<td>70</td>
</tr>
<tr>
<td>131</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35045252</td>
<td>PV00414442</td>
<td>$120.75</td>
<td>9/1/10</td>
<td>11/1/10</td>
<td>70</td>
</tr>
<tr>
<td>124</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35052390</td>
<td>PV00414443</td>
<td>$16.75</td>
<td>9/10/10</td>
<td>11/1/10</td>
<td>70</td>
</tr>
<tr>
<td>225</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35050319</td>
<td>PV00414444</td>
<td>$16.75</td>
<td>6/1/10</td>
<td>11/1/10</td>
<td>70</td>
</tr>
<tr>
<td>279</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35049069</td>
<td>PV00414445</td>
<td>$42.00</td>
<td>4/8/10</td>
<td>11/1/10</td>
<td>70</td>
</tr>
<tr>
<td>29</td>
<td>EMSL ANALYTICAL, INC.</td>
<td>07253720</td>
<td>35054394</td>
<td>PV00418222</td>
<td>$174.00</td>
<td>12/14/10</td>
<td>12/23/10</td>
<td>20</td>
</tr>
<tr>
<td>12</td>
<td>LEGEND TECHNICAL SERVICE</td>
<td>10315301</td>
<td>10442488N</td>
<td>PV00430012</td>
<td>$150.00</td>
<td>12/31/10</td>
<td>1/10/11</td>
<td>2</td>
</tr>
</tbody>
</table>

Total Number of Invoices: 9

1. Days Old = Age of the invoice. (Current date - Invoice date.)
2. Response Time = This is how long your invoice has been in Compass waiting for your approval.

Accruals Payable - As of: 01/12/2011  Report Version: 01/18/2011
Suspended Invoice Report – Request for PO Change Orders

The Suspended Invoice Report – Request for Change Orders provides a list of purchase orders (at the line level) which need a change order created to pay the invoice. Whenever an invoice is submitted that has an amount greater than the PO line amount then a PO Change Order is required. Once a PO Change Order is approved, the suspended invoice can be processed by AP and the vendor will be receive payment.

<table>
<thead>
<tr>
<th>VENDOR NAME</th>
<th>DESCRIPTION</th>
<th>PO NUMBER</th>
<th>LINE NO</th>
<th>PO Line Total</th>
<th>Invoice Line Total</th>
<th>Credit Memo Amount</th>
<th>C/O Asset Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMERICAN LINENS COMPANY</td>
<td>AMERICAN LINENS TO PROVIDE LINEN SERVICES FY 2009-2010</td>
<td>09333791</td>
<td>1</td>
<td>1,995.99</td>
<td>2,000.61</td>
<td>0.00</td>
<td>0.62</td>
</tr>
<tr>
<td>GERTH GREENHOUSE</td>
<td>FY10-11 ANNUAL SERVICE PO SERVICES AT BARTLETT</td>
<td>10326972</td>
<td>1</td>
<td>1,506.00</td>
<td>2,465.66</td>
<td>0.00</td>
<td>470.86</td>
</tr>
</tbody>
</table>
The End!!!