Colorado State University

Accounts Payable
Guidance for Kuali Payment Documents

Help process prompt payments to our vendors for the services and goods they provide to CSU

Presented by Accounts Payable

Business and Financial Services

To deliver efficient and effective business and financial services to our customers in support of the University's mission of education, research, public service and extension.

http://busfin.colostate.edu/default.aspx

Overview

- Payment documents
  - Disbursement Vouchers (DV)
  - Payment Requests (PREQ)

- AP FAQ
  - Receiving Doc
  - Check runs

DVs and PREQs

- Payments made to vendors

Disbursement Voucher (DV)

A check request document - created by the department

For:

- **One time** payments under $5,000
- Reimbursements
- Honorariums

Not for:

- Multiple payments to the same vendor over the course of a year

Disbursement Voucher (DV)

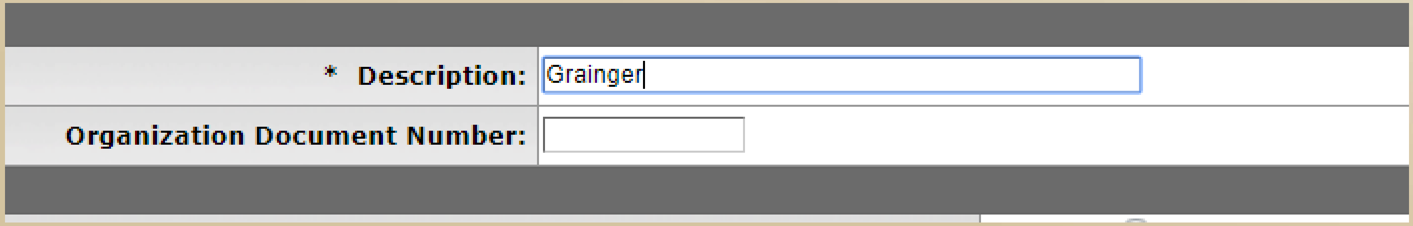
- Should only be created when you have **an invoice in-hand and/or required backup documentation** (i.e., Authorized Business Function Form, proof of payment) for small dollar payments

- A DV cannot be used in place of a purchase order (PO) when one is required (Please see Procurement Services policies)

Disbursement Voucher (DV)

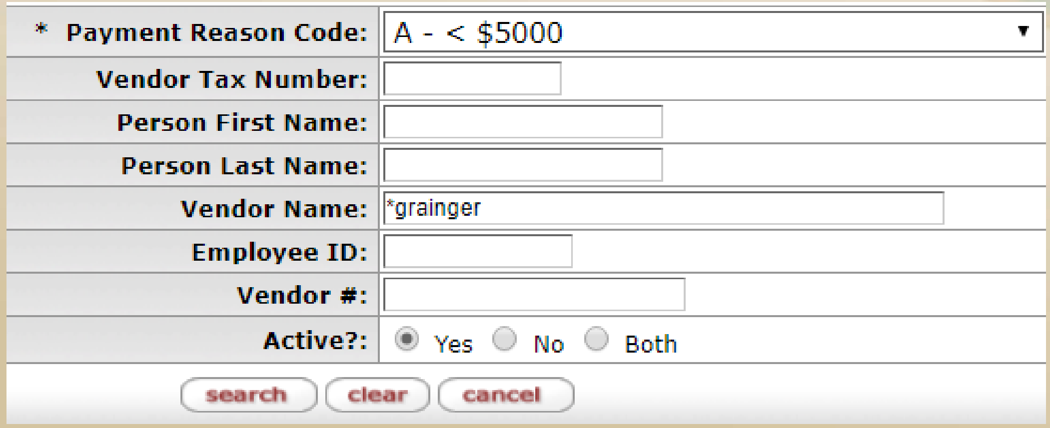
1. Create
   - Kuali main menu under Financial Processing

2. Document description
   - All or part of payee name. This helps A/P staff determine who should approve the document



Disbursement Voucher (DV)

3. Use magnifying glass in the payee ID field to search for vendor
   - Use wildcards and abbreviations to narrow search
   - Vendor number or tax ID can be used to search
   - When searching for employee first, last or both names can be used



4. On payee lookup screen the payment reason code needs to be selected.
   - 95% of the time this will be A < 5,000

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Disbursement Voucher (DV)

5. Select correct address
   - Vendors may have multiple addresses
   - Should match address on the invoice (Can be remit or PO)

Return Value	Address Type Description	Address 1	Address 2	State	City
return value	REMIT	Dept 802842948	PO Box 419267	MO	Kansas City
return value	PURCHASE ORDER	95 S Tejon		CO	Denver
return value	REMIT	Dept 868363516	PO Box 419267	MO	Kansas City
return value	PURCHASE ORDER	610 Popes Bluff Trail		CO	Colorado Spgs
return value	REMIT	Dept866838386	PO Box 419267	MO	Kansas City
return value	PURCHASE ORDER	1250 Busch Pky		IL	Buffalo Grove

Disbursement Voucher (DV)

6. When available please provide Invoice number
   - Not a required field but should be entered if known
   - Helps avoid duplicate payments

7. Provide Invoice date
   - Should be date printed on the invoice

8. Do not change due date
   -The due date will automatically populate
   - If altered the payment can be delayed to vendor

Disbursement Voucher (DV)

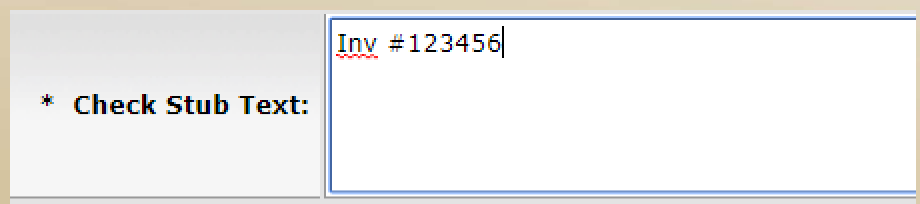
7. Enter the check amount
   - Should match the amount on the attached receipt or invoice

8. Payment Method must be selected
   - Typically will be P/ACH
   - Wire transfer used for Foreign Payments

9. Do not use Special Handling tab. This information prints on a check stub and can confuse vendors.

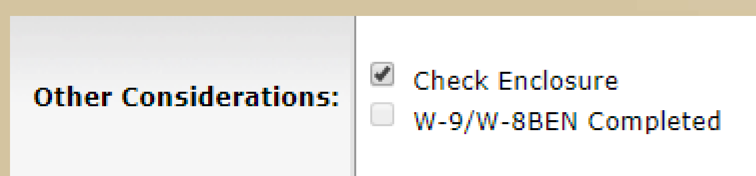
Disbursement Voucher (DV)

10. Check stub text is required field
    - Information will print on the check
    - Helps vendor know what the payment is for
    - Typically we want the invoice number entered here



Disbursement Voucher (DV)

- Check Enclosure?
  - When this box is checked a physical check will be printed
  - Should be checked when:
    - A copy of the invoice or form should be included (mailed with the check)
    - If you would like to pick up the check or have it mailed in Campus mail
      - Please provide name/email of individual picking up check or campus mailing address in the notes and attachments section



Disbursement Voucher (DV)

- Accounting Lines
  - Accounting lines need to be added to every dv
  - Enter CO for the chart code
  - Input account and any applicable subaccounts (optional)
  - Enter object code and sub object code (optional)
  - Enter amount – Total amount must match payment amount entered in Payment Information tab
  - Multiple accounts can be added but total should agree to total payment amount
  - Don’t forget to click the add button

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Disbursement Voucher (DV)

- Notes and Attachments
  - Make sure that copy of invoice or proof of payment is scanned and attached in pdf format
  - Do not include sensitive information such as SSN or banking information
  - Attachment needs to be legible for A/P, avoid highlighting before scanning
  - Keep original receipts on file – do not need to be sent to A/P
  - Provide any additional information regarding payment
  - Enter special handling instructions here if “check enclosure” was selected

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Route Log – Example of DV route log

- Route log (all Kuali documents) shows all actions that have been taken on a document and the approvals remaining
  - 1. Created by department and submitted
    - Ensure attachments are complete, amounts and vendor are also correct
  - 2. Routes to FO officer, and any applicable ORG DIV or HOSP approver
    - Should review amounts, applicable invoices attached, address matches invoice and expense is allowable for fund type (account).
  - 3. Routes to A/P for final review and approval

Actions Taken ▾ hide

	Action	Taken By	For Delegator	Time/Date
▸ show	COMPLETED	Highsmith, Sheryl Lee		01:16 PM 02/22/2018

Pending Action Requests ▾ hide

	Action	Requested Of	Time/Date	Annotation
▸ show	IN ACTION LIST APPROVE	(Multiple - expand to see details)	01:16 PM 02/22/2018	KFS-FP Disbursement Manager MC

DV to an Individual/Sole Proprietor

- Independent Contractor (IC) Form
  - Must be filled out prior to hiring, and signed by a VP, dean, or department head
    - Sent to Beth Fritzler and Grant Polzer for review
      - Determine if classification is employee or IC
    - If approved, form will be signed
      - Attach signed form to Requisition/DV and vendor record
- Please see FPI 2-19 for reference

DV to an Individual/Sole Proprietor

Employee

- Anyone who performs services for you is your employee ***if you can control what will be done and how it will be done.***

Independent Contractor (IC)

- A natural person, business, or corporation that provides goods or services to another entity under terms specified in a contract or within a verbal agreement

DV to an Individual/Sole Proprietor

- Invoices required
- Paying an employee?
  - Process through payroll
  - Ex-employee must be separated from CSU for at least 6 months before considered an independent contractor

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PERA Retirees as Independent Contractors

- Department responsible for PERA Retiree identification
- Monthly payments will be collected from the department to cover IC PERA Retiree contributions
- Payroll to process payments from same account used to pay the individual
- Current rate is 20.15%

DV for Honorariums

- Voluntary payment to a professional **person** outside the CSU community
  - Expression of thanks when payment is not required
  - Ex: travel/accommodations/preparation time compensation to lecturer/guest speaker

- Paid via DV

- Flyer/announcement/invoice/signed contract should be included as backup

- See FPI 2-18 for reference

DV for Stipend Payments

- Typically associated with research projects through sponsored programs where students are the recipients
  - Do not include any services provided which would solely benefit the University
  - Stipend forms must be attached
- Current employees- Always paid through payroll
- Current Student – Always paid through Student Account
- **A/P only processes stipends for non-employees that are also not students**

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DV for Individual Reimbursements

- Please follow procurement rules regarding purchases of computers and furniture
  - Require approval from procurement. Waivers must be attached to DV
- Multiple receipts can go on one DV if it is to same individual
- Do not use invoice number field – this can bring up duplicate payment errors
- Use check subtext to reference what reimbursement is for (ex: Dinner at Rio Grande on 2/12)

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DV for Individual Reimbursements

- Proof of payment
  - Signed credit card receipt (redact credit card #s)
  - Invoice showing $0 balance due
  - Receipt that shows paid by CC, cash, or check
  - Preferably have two receipts: one for alcohol and one for food

- Include ABF form to object codes 6649, 6650, 6628, and 6627

- Maximum allowed tip is 20% pretax
  - Allocate proportionally to food and alcohol

DV for Individual Reimbursements

- Individuals should not be paying for services directly
- Conference registrations can be reimbursed on a DV only if there will be no other travel expenses associated with the conference

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DV for Foreign Wire Payments

- Follow same rules regarding POs/DVs
  - PO needs to be in place for payments over $5,000
- Wire transfers are preferred
  - Checks may take longer or vendor may be unable to deposit US check
  - Checks can go to Canada as long as invoice is in USD
- If invoice is in foreign currency:
  - Do not convert to USD (exchange rated change daily)
  - Wire transfer must be used to send payment in foreign currency
    - Once this is sent banking services will convert to USD before finalizing the document

DV for Foreign Wire Payments

- If AP receives invoice, Beth will create DV to wire funds
- If department receives invoice, then they can create DV
- Payment reason code should be “X-foreign vendor”
- Reference PO on DV
  - Contact purchasing to close PO

Research Incentives

- Cash or cash equivalence (eg gift cards) that are given to individuals who participate in research studies
  - Typically charged to 53 accounts
  - Possible to be on other accounts
  - Campus services will provide preapproval for all incentive expenditures

- Incentive payment request form

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Payment Request (PREQ)

A payment document that Accounts Payable enters for invoices billed against a Purchase order (PO) or automatic purchase order (APO).

- POs and APOs are created after submission and approval of requisition document
- Invoice cannot be processed if requisition and PO have not been approved
- Accounts Payable does not monitor due dates or payment terms. Payments are only processed on receipt of invoice.

Payment Request (PREQ)

- Invoices are sent to Accounts Payable by vendor or University departments.
- Invoices can be sent via campus mail, fax or email to a specific A/P staff member.
- Invoices are opened centrally and distributed to each A/P staff member according to the vendors that are assigned to them.
- The invoices are processed in the order they are received so it is crucial to send invoices to A/P so not to delay timely payment.

Payment Request (PREQ)

- Please be sure the PO number is on the invoice.
  - When PREQ document is initiated this is required information

- Accounts Payable enters the PREQ, then the document routes to department and fiscal officer for approval
  - Document should be reviewed for accuracy and then approved

- Approvers can place a hold on the PREQ or request a PREQ to be cancelled
  - IF PREQ is requested to be cancelled please ad hoc acknowledge A/P (initiator) or send an email. A/P is not automatically notified

Payment Request (PREQ)

Common Miscellaneous expenses

- Taxes
- Freight
- Shipping Materials i.e special containers
- APO additional items ordered w/no change order

*These items are paid “below the PO lines” and do not relieve encumbrances. If these amounts need to be encumbered they should be included on the PO as a line item.

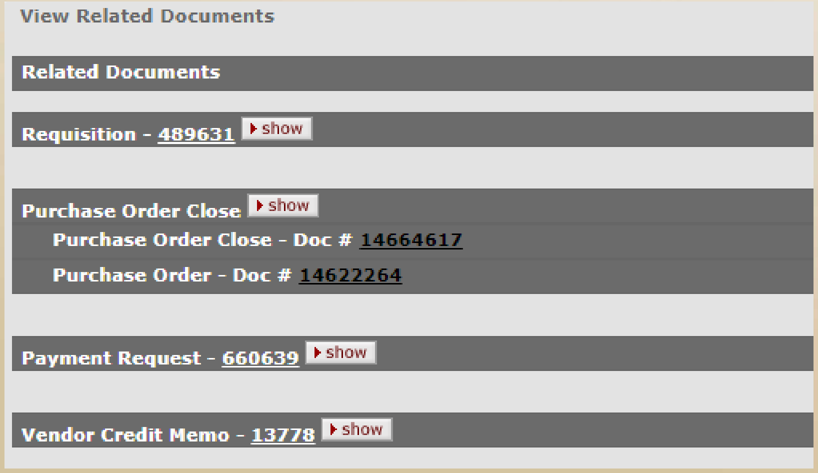
Payment Request (PREQ)

- Some PREQ documents also require verification of items received before payment is issued to vendors
  - If your PO is over $5,000 and is quantity based receiving document is required.
    - Receiving can also be added to any quantity requisition
  - If there is a delay in the receiving please add a note to the PREQ so that Accounts Payable can view the information
    - This can help A/P help explain to vendors why there is a possible delay

Payment Request (PREQ)

View related documents tab

- This tab lists other documents that correspond with the PREQ
- Other documents listed in this section will include:
  - PO – Purchase Order
  - POA – Purchase Order Amendment
  - POC – Purchase Order Close
  - REQ – Purchase Requisition
  - LIR – Line Item Receiving
  - PREQ – Payment Request if multiple payments made
  - CM – Credit Memo



Route Log – Example of PREQ route log

- 1. Created by Accounts Payable and submitted
  - Match Invoice with PO
- 2. If receiving is required the receiving document (LIR) needs to be completed
- 3. Once receiving is complete or is not required the document routes to the Fiscal Officer on the account(s)
  - Should review amounts, applicable invoices attached, address matches invoice and expense is allowable for fund type (account).
- 4. Note that the DIV ORG and HOSP approvals are not required. These approvals are done on the requisition

AP FAQ

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Electronic Invoices

- Invoices processed automatically through KFS
- Bio Rad Laboratories, Dell, Fisher, Grainger, OfficeDepot, Airgas, and VWR.
- Cxml invoice attachments are used as a backup.
  - Department can contact vendor directly for invoice
- Credits are not sent electronically.
  - Expecting a credit? Missing items? Return and item? Request a credit memo from the vendor and forward it on to AP

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Credit Memo (CM)

- AP enters credit memos against POs

- Credit will not be released until there is payment of invoice(s) over the credited amount
  - Ex: Credit of $100 is issued to a vendor. A check will not be released to this vendor until there are additional payments that up to $100 or more.

- DV documents will not take credit memos into consideration.

Line Item Receiving

- Used to acknowledge the receipt of goods on a purchase order line item for which a quantity was given.

- Required on POs that are for goods > $5000 or for any document where the user has designated on the requisition that receiving is required (Quantity only).

- The vendor will **NOT** be paid for this Payment Request until a LIR document is input
  - Must match the quantities on the Payment Request.

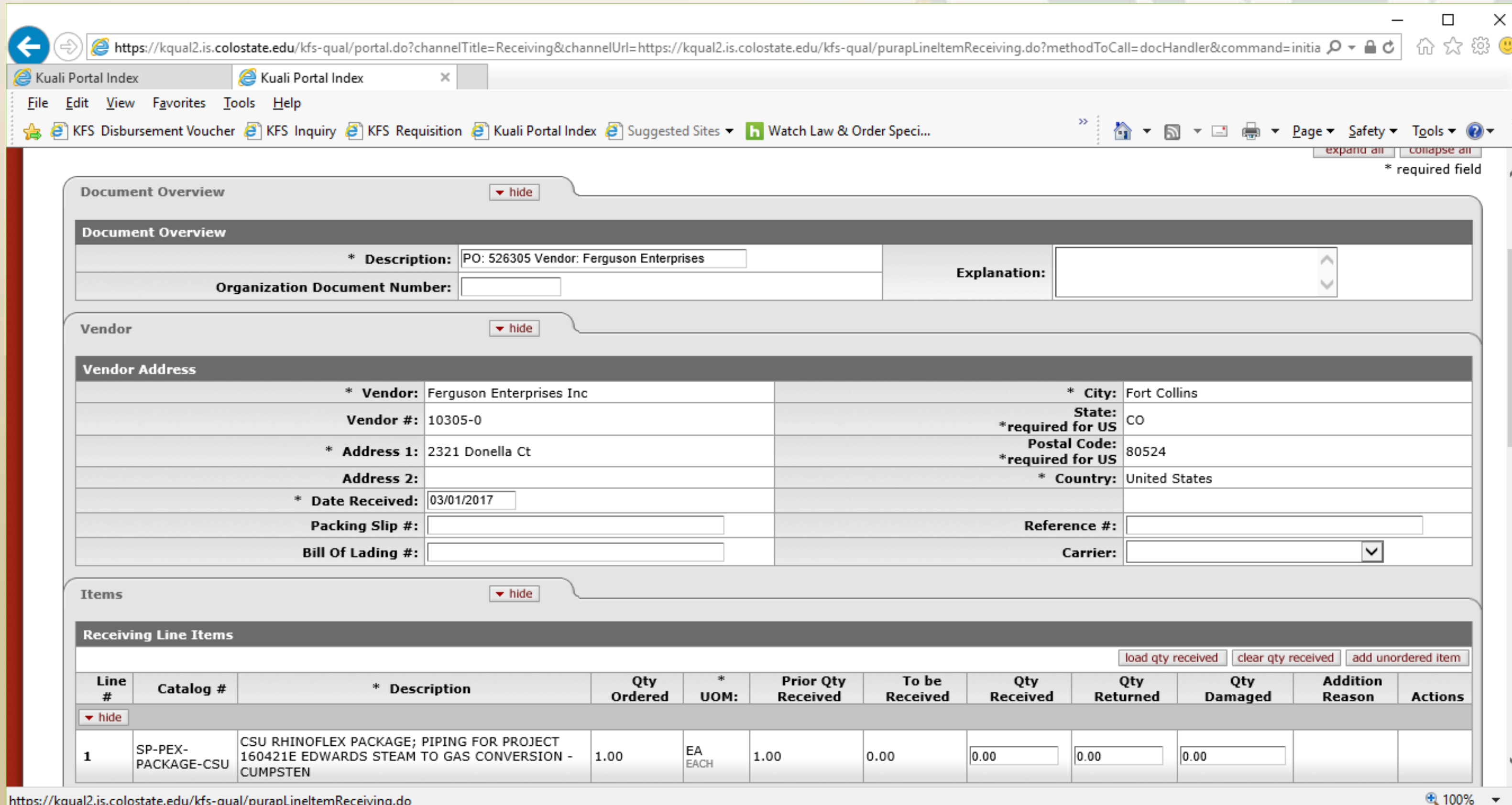
Line Item Receiving

- Line Item – used to record quantities of items received, damaged, returned or unordered on a purchase order
- If there are multiple PREQs for the same PO, a single receiving document can be done that matches the sum of the invoiced quantities.

Line Item Receiving

- Create new LIR document from Kuali Main Menu under Purchasing/Accounts Payable
- To begin document you need to enter the PO number and the date received
- Packing Slip, Bill of Lading, and Carrier are not required

Line Item Receiving



The Items section is where you input how many items you received.

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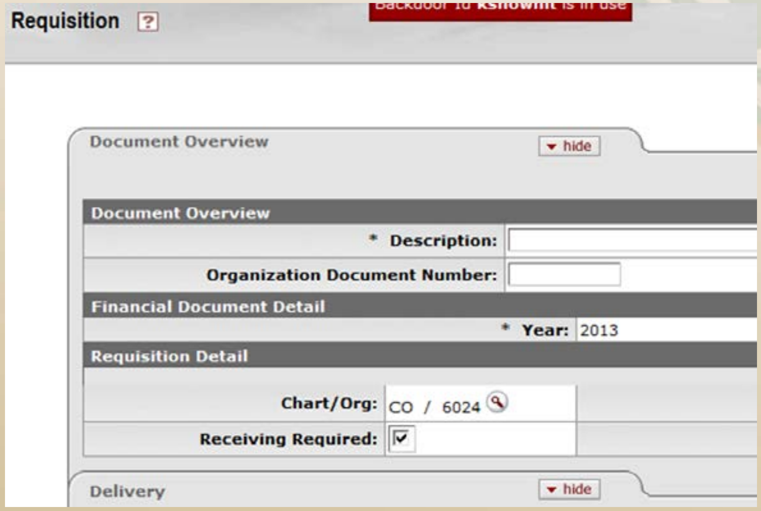
Line Item Receiving

- FYI: Email sent to requisition document initiator when PREQ is submitted
  - Not uncommon for email to be sent to former employees

- Regularly check for docs needing receiving under your department

Line Item Receiving

- When creating a Requisition, the user doesn’t need to click this box. The system will automatically fill this in for goods >$5000.



- Receiving is NOT required on service orders and for those orders designated as “no quantity” on the Purchase Order line item.

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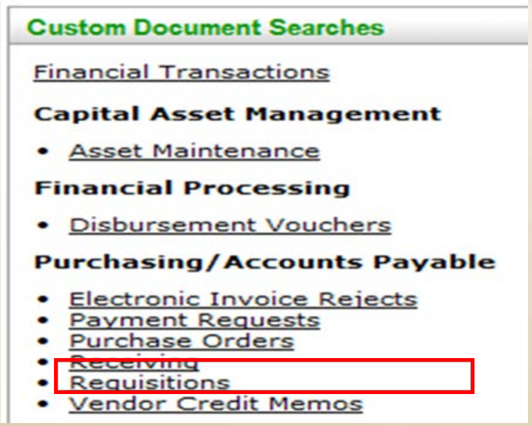
- Good idea to check for PREQ documents that need receiving
  - Search under Account # or Org Code



Custom Document Searches

Financial Transactions

Capital Asset Management

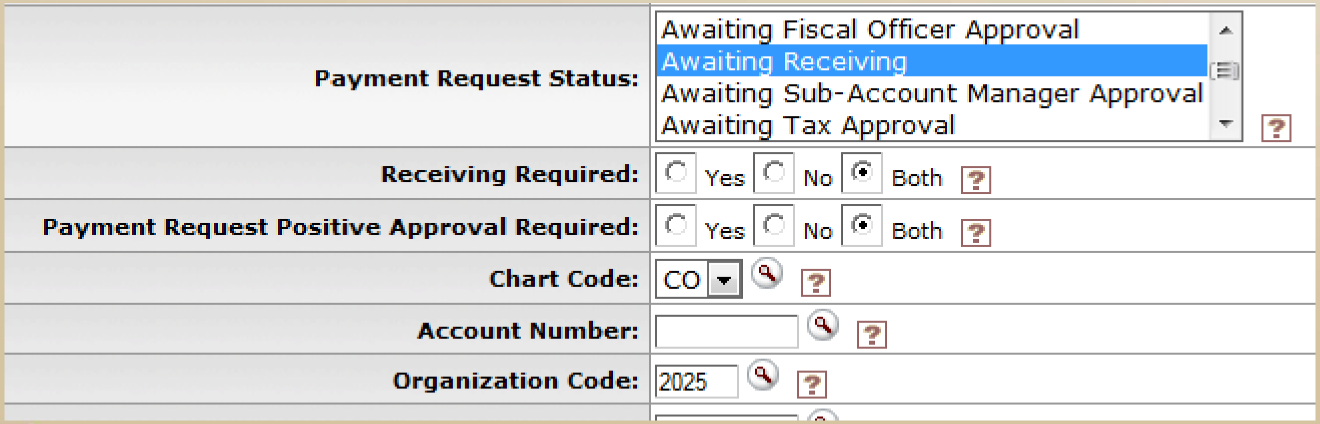
- Asset Maintenance

Financial Processing

- Disbursement Vouchers

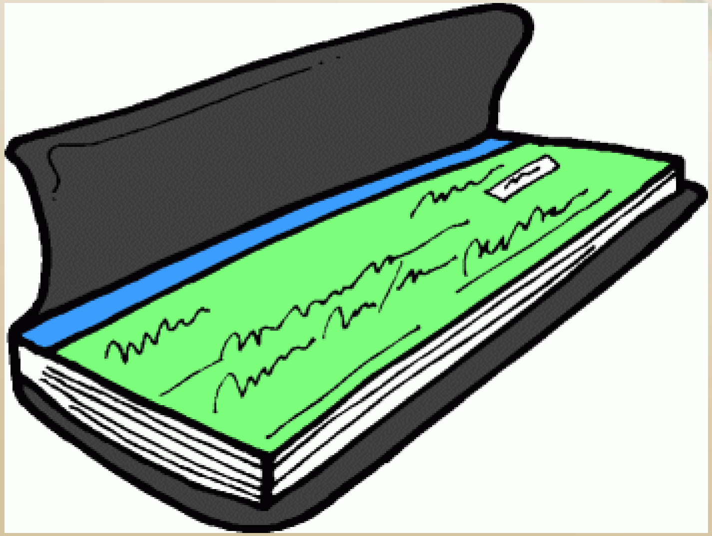
Purchasing/Accounts Payable

- Electronic Invoice Rejects
- Payment Requests
- Purchase Orders
- Receiving
- Requisitions
- Vendor Credit Memos



Payment Request Status:	Awaiting Fiscal Officer Approval Awaiting Receiving Awaiting Sub-Account Manager Approval Awaiting Tax Approval
Receiving Required:	Yes No Both
Payment Request Positive Approval Required:	Yes No Both
Chart Code:	CO
Account Number:	
Organization Code:	2025

When will the vendor be Paid?



Payment Terms

- Procurement sets payments terms when PO is established
- Net 30
  - University policy unless otherwise specified in contract with vendor
- Net 5
  - Payments terms used if vendors opt into Single Use Account (SUA) payment program.

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Check Runs

- AM Tuesdays and Thursdays
- DVs: Paid asap on next check run
  - Must be in final status prior to 7am day of check run

Doc Nbr:	14642955	**Status:**	FINAL
Initiator:	baechlej@colostate.edu	**Created:**	11:23 AM 02/08/2018

- PREQs: KFS must processes doc through two "formats" prior to cutting check
  - KFS formats run approx. 7am and 2pm everyday
  - All department approvals must be in prior to 2pm the days before a check run to print next day

Doc Nbr:	14643689	**Status:**	ENROUTE
Initiator:	lcooper@colostate.edu	**Created:**	11:54 AM 02/08/2018
Payment Request #:	660488	**Payment Request Doc Status:**	Awaiting Fiscal Officer Approval

Check Runs

- Departments ultimately control when a PREQ will hit a check run by approval and/or having done a Receiving document
- DV payments rely on the approval from A/P as we are the last approval in the route log
- If you need payment in a specific check run, you need to contact the appropriate A/P tech directly by email or phone for that vendor. We will do our best to accommodate your request.

Disbursement Voucher

Searching for payment information

- Once document is Final the payment information can be found on the Pre-Disbursement Processor Status Tab

- There will be “disbursement info” button when you click “show”
  - When this is clicked the payment details will be displayed
  - Will show if the payment was made by ACH or check
    - Check will have 7 digit disbursement number ACH will have 6 digit number

- Once reconciled by FRA the payment status will read Check Cleared

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Payment Request (PREQ)

Searching for payment information

- Once document is Final the payment information can be found on the Invoice Info tab

- There will be “disbursement info” button
  - When this is clicked the payment details will be displayed
  - Will show if the payment was made by ACH or check
    - Check will have 7 digit disbursement number ACH will have 6 digit number

- Once reconciled by FRA the payment status will read Check Cleared

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PREQ Disbursement

- **Extract date**
  - On PREQ- under “invoice info”
  - Payment will go out on the next check run after this date (Tuesday or Thursday)
- **Disbursement Info**
  - Check/ACH #, pay date

Source Document Number	Purchase Order/TEM Number	Invoice Number	Payee Name	Pay Date
11955703	544207	902345776	Northern Safety Co Inc	04/20/2017

Disbursement Date	Payment Status	Disbursement Type Name	Disbursement Number	Net Payment Amount
04/20/2017	Check Cleared	Check	1039048	136.63

- Checks mail the day after the check run
- ACH takes two to three business days depending on vendor’s bank

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ACH Payments

- Aka Electronic Fund Transfers
  - Takes 2 – 3 business days for payment to be processed by payee’s
  - Typically 1 day delay for holidays
- ACH Vendors –
  - To add/change banking info, vendor must contact Jackie Riba directly
  - May take up to 3 weeks to complete the verification process
  - No changes will be made solely off email or phone call information due to potential risk of fraud

Route Log

- Route log (all Kuali documents) shows all actions that have been taken on a document and the approvals remaining

Route Log

Actions Taken

hide

	Action	Taken By	For Delegator	Time/Date
	SAVED	Cooper, Leigh Anne		11:21 AM 01/30/2018
show	COMPLETED	Cooper, Leigh Anne		11:21 AM 01/30/2018
show	APPROVED	Orwick, Julie		04:40 PM 01/30/2018

Pending Action Requests

hide

	Action	Requested Of	Time/Date	Annotation
show	IN ACTION LIST APPROVE	Schlatter Jr, Ronald E	11:04 AM 04/05/2018	KFS-SYS Fiscal Officer CO 2139070

Route Log

- Approvals required depend on amounts and object codes
  - Fiscal Officer approval needed anytime account is used
  - ORG approval is needed if document is => $1,000 (dv)
  - DIV approval is need if document is => $10,000 (dv)
  - HOSP approval is needed for Official Function approval (6649)
    - HOSP approval is needed for every line in the document
  - KFS USER? – On PREQ documents this means the LIR document has not been completed
  - Disbursement Manager – A/P (last on the dv document)
  - Ad hoc approvals can be added to any document

SUA Payments

- SUA – Single Use Account Overview
  - Partner with JPMorgan to process payments
  - Payments to vendors are settled via virtual credit card
  - SUA payment program is <u>optional</u> to vendors.
  - Vendors who enroll are paid on Net 5 payment terms
    (Terms stipulate that the terms are 5 days after invoice approval)
  - No Fee charged by CSU or JPMorgan but there are interchange fees for credit card processing

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SUA Payments

- How are SUA Payments issued?
  - No additional steps needed by campus
  - Once vendors have enrolled the ACH information in Kuali is edited to send payments to a CSU owned bank account
  - Every Tuesday and Thursday after the check runs all payments sent to the CSU account are processed
  - A file is generated and sent to JP Morgan who then issues virtual credit card numbers via email to the vendor
  - The vendor settles the payments, then at the end of the month JP Morgan sends a statement of all transactions settled and CSU pays the balance

SUA Payments

- Benefits of the SUA Program
  - **Convenience** - Payment option is becoming more popular and utilized by our vendors with their other customers, this is sometimes their preferred payment method
  - **Fraud Prevention** – CSU has the ability to dispute any payments that may not be correct or valid
  - **Flexible** - Allows vendors to use multiple accounts for deposits. We can only use 1 account for ACH
  - **Secure** – Utilizes secure email, a temporary virtual credit card, card numbers expire after 30 days, no account information has to be used or handled by CSU
  - **Vendor Cash Flow** - Gives vendors more favorable payment terms

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SUA Payments

- How to look up SUA payments
  - All SUA Payments will look exactly like one of our ACH payments in Kuali
  - If there is an ACH payment listed but the vendor has not received the deposit it may be because the ACH is actually an SUA payment
  - All SUA vendors can be found in Kuali
  - If vendor cannot find SUA payment contact Grant Polzer

Vendor Name:	*ach sua*
US Tax Number:	
Vendor #:	

Vendor Name	Search Alias	Vendor #	Activ Indica
21ST CENTURY EQUIPMENT LLC	ACH SUA VENDOR	33629-0	Yes
4 Rivers Equipment LLC	ACH SUA VENDOR BOBCAT OF COLORADO SPRINGS COLO MACHINERY	9121-0	Yes

Who do I contact?

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Area of Expertise	Staff member	phone
Vendors C-F and Petty Cash	Parvin Naysary Parvin.naysary@colostate.edu	491-5019
Vendors G-O, General Air, Spok, 77 funds	Lauren Ackein Lauren.Ackein@colostate.edu	491-1373
Vendors A,B & P-Z, Fisher Scientific, Telecomm	Cherie Akin Cherie.akin@colostate.edu	491-1372
Foreign vendors, livestock, independent contractors, non-travel individual reimbursements, 1099s	Beth Fritzler Beth.fritzler@colostate.edu	491-2097
Incoming mail, Vendor approvals, TEM customer forms	Tricia Cochran Patricia.Cochran@colostate.edu	491-1429
Accounts Payable Supervisor, Vendor approvals, TEM Customer Forms	Jackie Riba Jackie.riba@colostate.edu	491-1363
Accounts Payable Manager	Grant Polzer Grant.polzer@colostate.edu	491-2040