

BUworks Finance Newsletter

PO Invoice Workflow

In this month’s issue, we’ll go over the workflow for PO invoices. Note, BU Accounts Payable Services refers to invoices created from purchase orders as “PO Invoices.” We’ll cover how approval notifications are processed, and how they connect to the Procure to Pay process.

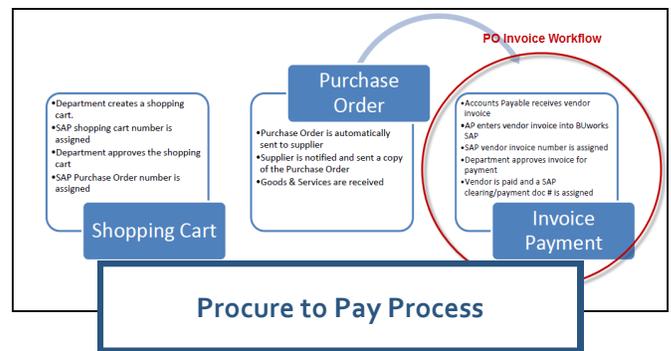
This information will help you better manage and reconcile all PO invoice related expenses that post to your departmental or grant account(s).

PO Invoice and Procure to Pay

The Procure to Pay process consists of three stages, which in turn triggers the PO Invoice workflow. The PO Invoice workflow is initiated during “stage 3 - Invoice Payment” of the Procure to Pay process.

The three Procure to Pay phases are:

1. Creation of shopping cart (SC) in SAP Supply Relationship Management (SRM) system. Once approved the SC becomes a purchase order.
2. The assignment of the PO number triggers the notification to the supplier of the new purchase order. Vendors are instructed to forward the invoice to BU Account Payable Services for payment process.
3. The vendor invoice is entered into the financial system. The entry triggers an email and a task to display on the Shopper’s worklist.



Vendor payment is contingent on several factors: supplier invoice arrival date, invoice entry date, posting date, invoice amount, payment terms, and workflow approval process.

Initiation of PO Invoice Workflow Notification

At this point, workflow for PO invoice is initiated. An email notification is sent to the shopper who placed the order, and a task will appear on the Shopper’s worklist. A shopper with the approval role (fi.e.department_approver) can approve the task or place the invoice entry on hold to release at a later date.

Invoice payment is not issued to the supplier if the department Finance Approver:

- Has not released (approved) the blocked invoice (Payment Block code - “O” - **Over \$5,000 PO Invoice**).
- Has placed the invoice on hold (Payment Block code - “H” - **Department Hold**) for payment.
- Note, under \$5,000 PO invoices will release from block code “U” (**Under \$5,000 PO Invoice**) after three business days, unless it is placed on department hold (Payment Block code - “H”- **Department Hold**).

“In This Issue”

- PO Invoice Workflow
- PO Invoice and Procure to Pay
- Initiation of PO Invoice Notification
- FAQs PO Invoice Workflow Process
- Tips & Tricks on PO Invoice Review Entry Icon

Contact Us:

Thanks for taking the time to read this newsletter. Click [here](#) to leave any comments or suggestions.

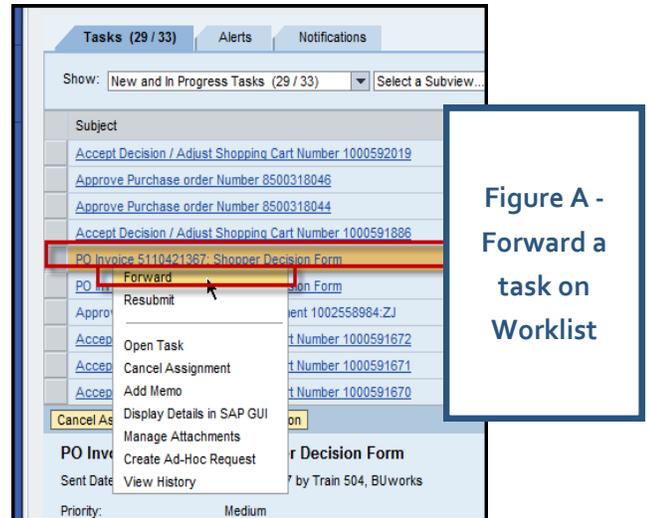
1010 Commonwealth Ave.
Suite 100
Boston, MA 02215
(617) 358-6829
iguiller@bu.edu

To access the Quick Reference Guide on the PO Invoice workflow process go [here](http://www.bu.edu/tech/files/2016/09/QRG_PO-Invoice-Workflow-Process.pdf): http://www.bu.edu/tech/files/2016/09/QRG_PO-Invoice-Workflow-Process.pdf

FAQs PO Invoice Workflow Process

- 1. What happens if the shopper who received the notification does not have the Department Approver role?**
 The shopper will not be able to release the payment blocked code from the invoice. The shopper can “Forward” the task to the Departmental Approver by clicking on the “Forward” button and entering the email address of the Department Approver. **Figure A**
- 2. Is it possible to assign and forward the PO Invoice approval notifications to a colleague while I’m away from the office?**
 Yes, the Manager Substitution tool can be utilized. This tool allows one to create and manage substitution rules for your tasks. You can assign a colleague as a backup or fill in for you while away.

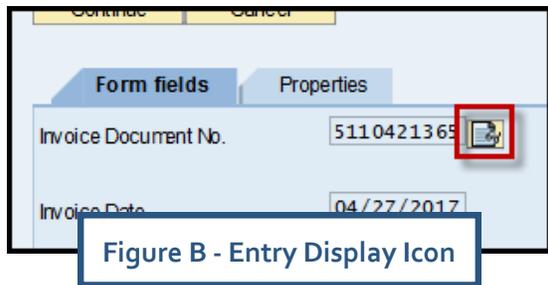
Click [here](http://www.bu.edu/tech/files/2016/01/Worklist-User-Guide-Work-Instruction1.pdf) to view more information on Worklist tab functionality: <http://www.bu.edu/tech/files/2016/01/Worklist-User-Guide-Work-Instruction1.pdf>



- 3. What happens once the invoice has been placed on hold?**
 The invoice is blocked for payment, on “HOLD” status, until the Departmental Approver contacts Accounts Payable and requests the release of payment or reversal of invoice. Email Accounts Payable at invoices@bu.edu to ask for payment or reversal of the invoice. Include the SAP FI Document number found on the decision form and the approval notification email.

Tips and Tricks on PO Invoice Review Entry Icon

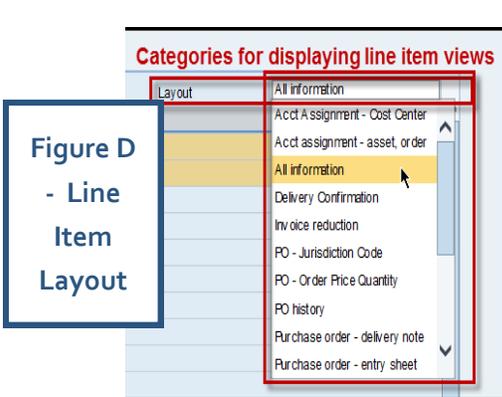
Approvers should review the PO invoice entry to confirm the invoice is in fact associated with the Purchase Order. There may be times the supplier may submit an invoice with the wrong PO number or the invoice may have been entered into the system with the wrong Purchase Order.



To review and validate the entry, while on the decision form, click on the “Display Invoice” Icon

A new window displaying transaction code [MIR4 - PO Invoice Display](#) will appear. **Figure B**

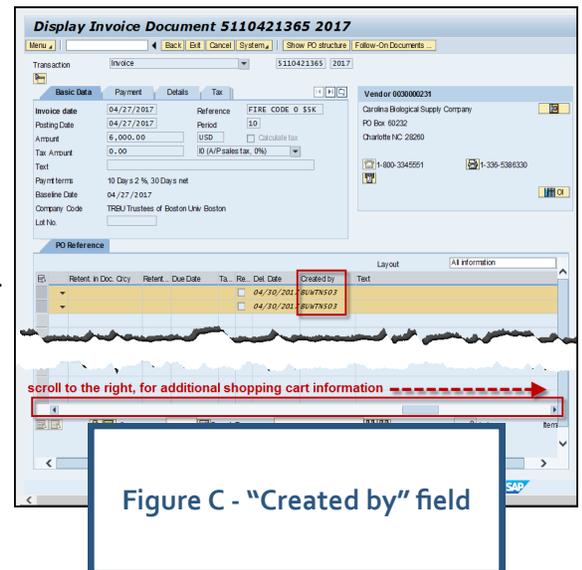
Review the header and line item information against your shopping cart and/or PO tracking spreadsheet.



Additional shopping cart fields are available by scrolling to the right of your screen. The “Created By” field provides information on who created the shopping cart. **Figure C**

The line item area in transaction code [MIR4](#) allows for the layout to be changed.

The system defaults to “All Information” line item layout which derives the shopping cart details listed on the shopping cart tabs.



You have the ability to change the category on the line item view to fit your needs. **Figure D**