

ACCOUNTS PAYABLE CHECKLIST

Milwaukee County Office of the Comptroller – Accounts Payable

Issued: September, 1999

Updated: September 2017

10+ STEPS TO QUICKER CHECK PROCESSING

Revision 2.34

Abbreviations and Terms Used Within:

- **A/P** = Central Accounts Payable
- **Advantage** = Milwaukee County's financial and accounting software.
- **Back Order** = Balance of the PO's quantity that has not been entered on a receipt and is expected later.
- **Encumbrance** = money set aside from a Depts budget when a PO is issued to be used for the payment of its invoices.
- **Fulfilled** = Goods delivered or services provided by a vendor.
- **MPC** = Marketplace Central
- **PR** = Purchase Requisition

1. Depts must perform each of these steps before payment can be issued:

- Prepare and approve a PR or SC. County Ordinance requires Depts order goods or services on orders so that the money is encumbered to issue payment. PRs are entered in MPC. They become purchase orders which are encumbered in Advantage as PDs. SCs are entered & encumbered directly into Advantage.
- After goods or services are delivered or provided, requesters prepare a Receipt for the Quantity. If there are receiving discrepancies, type a Header Note that explains. Scan & upload packing slips or other relevant documents using the receipt's Attach/Link buttons.
- Vendors must send invoices directly to Central Accounts Payable's address:

Milwaukee County Accts. Payable
901 N. 9th Street, Room 301
Milwaukee, WI 53233

If you receive a paper invoice, either in the mail or with the order, **write or circle the PO #** on it and send to A/P.

If you receive an emailed invoice, forward it to A/P's shared mailbox: APinvoices@milwaukeecountywi.gov

2. Are there any limitations we need to be aware of when entering PRs? Yes.

- **Account codes**, such as agency, org and object etc. are required on all purchase orders. Enter a max of 6 "unique" accounting lines per requisition / purchase order. An accounting line is unique when one or more of the accounting codes used is different from the others. For example:

<u>Agency</u>	<u>Org</u>	<u>Object</u>
510	5725	7910
510	5702	7910
510	5702	7977

- **Shipping/handling & fuel surcharges** can be paid without a line on the PO in some cases, however, if the vendor quoted a "not to exceed" amount, add a line to the PR using \$1.00 as the price and USD as "packaging". For example, to encumber \$25, enter 25 x \$1.00.
- **Estimates or quotes for a 'one-time' service or job** are often quoted as a lump sum instead of being broken down by quantity and rate. For a lump sum always make the "price" \$1.00 and the "packaging" either USD, JOB, LOT, LUMP SUM. To add a line for a service quoted as a lump sum of \$1250, enter 1250 x \$1.00
- **Travel fees for Employees** must be paid with a Travel P-card or on a Travel Advance (TE) within Advantage. Do NOT enter registration, airline fees or lodging for meetings, conferences, seminars or training on a PR.
- **Purchases of Time and Materials** covered by Service Contract (SC) price agreements must be encumbered on SCs within Advantage (i.e. painting, repairs, plumbing, construction PAs).
- All **Contracts** require the Dept to complete and send a 1684 form to A/P before payment is issued. To locate an electronic copy of Form 1684, using

Internet Explorer go to this website <http://notesapp1.milwaukeecounty.org/databases/mclib.nsf>

- **For leases, office machine repairs & copier maintenance** enter an External Note with the Model #, Invoice # (if known), Serial # and Date.
- **Food & drink purchases for employees** within Milwaukee County are not authorized expenditures of county funds per the Comptroller. If entered on a PR they will not be paid.
- **For temporary help**, the max quantity allowed per requisition line is 200 hrs. Be sure to type an External Note specifying the timeframe covered for each line. Once all the invoices for time frame are paid, no other invoices will be applied to the line and A/P will close the encumbrance.

3. Should a "discount" be deducted from the price I enter on a PR? There are 2 kinds of discounts typically offered:

- **Cash Discounts** – If we pay the bill by a certain date we get a cash discount.
- **Quantity Discounts** – If we buy a bigger quantity we get a cheaper price. You are NOT allowed to deduct cash discounts, but you ARE allowed to deduct quantity discounts & other price reductions offered by vendors.

4. How do I tell the vendor info about my order? The info typed as an External Note, as well as, External Attachments are sent to the supplier along with the PO.

5. How do I tell A/P info about my order? A/P does NOT receive or look for files that are "attached" to a PO, however, both the Internal & External Notes are included on PDs that are used by A/P to issue payment. After a PO has been issued, add a Comment to the PO and as a part of adding the Comment, email it to the A/P

staff member handling the vendor. **Don't forget: send invoices to Courthouse #301**

6. What info should be an External Note?

- "Estimate" or "Quote" and its number from the Vendor you selected
- "Check Enclosed"
- Invoice (if known) or Account #
- Delivery instructions
- Notes for A/P or the Supplier

What info should be an Internal Note?

- 3 Quotes required by Procurement
- Notes for Yourself
- "Private" information or notes

7. I want to buy an item that is "restricted" on the Office Depot website. Can I do that? Yes, unless it's on another vendor's price agreement. Search for the item in MPC. If a similar item appears in your search results, with the Milwaukee County logo on the left, it means there is contract and it must be ordered from that vendor. If not, print the webpage showing the item # and price as a "quote". Order it using the NonCatalog Item link. Choose **OFFICE DEPOT < >** or type Vendor #22106, as the supplier. Your order will be transmitted automatically to Office Depot.

8. What is a "confirming" order? Should confirming orders be sent to the vendor?

A confirming order is one that has been given to the vendor prior to being entered in MPC. **Confirming POs must NOT be sent to the vendor or a duplicate shipment will result.** Be sure to select "DO NOT Send PO to Vendor" on the GENERAL tab in the "Special PO Processing" field of a PR if it's "confirming"

9. What is a "daily order"? A PR entered to order PA contracted items **that does NOT need to be encumbered or approved** because a lump sum encumbrance has already been encumbered for each item being ordered. **Call 223-8100 for help**, as daily orders also require the entry of a "sub" price agreement by the Procurement Division.

10. Orders for glasses, uniforms & repairs, are confirming because we don't know the \$ spent until invoiced, but we need to give the vendor a # for tracking purposes. In MPC start a new Cart by selecting Shop > My Carts & Orders > View Carts > click

Create Cart button. Update the carts name. Give the Draft Cart Requisition # to the vendor. To save this cart for later, just start another new cart. When the invoice arrives re-open the draft cart, select "Do Not Send PO to Vendor", type an External Note to explain why you chose it, finish the PR & submit it.

11. Each Dept was issued a "hold for pickup" ship to code, but many vendors are unable to handle pickup orders. Be sure to contact the vendor before using a "hold for pickup" ship to code or your order may not be processed.

12. How do I let Procurement know I need their expertise to make a purchase? By requesting "sourcing" on the PR. You can request sourcing for one, a few or all the items on the PR. Here's how:

- Start a New Cart.
- Click the Add Non-Catalog Item button.
- Do one of the following to route items on a PR for sourcing:
 - a. METHOD #1 - click the "not known" link instead of selecting a Supplier. Complete the rest of the PR as you normally would being as specific & complete as possible. **--OR--**
 - b. METHOD #2 - When the vendor is known and some or all of the PRs items need sourcing make use of the Requires Sourcing drop-down menu. Complete the PR as you normally would being as specific & complete as possible. Each line on the PR has a checkbox on the right side. Click the check box for each item that requires sourcing. Then at the "Selected Line Item Actions" menu select "Requires Sourcing".
- Submit the PR. After it is approved, it will automatically be sent to the Procurement Division for sourcing.

13. My PR was returned. The PR's History link says it was returned because the "Expense Budget Line Was Not Found". How do I fix it? Your PR was returned because the combination of codes used (i.e. agency+org+object) has never been used on a PO since 1999. **This usually means at least one code is wrong.** Ask your depts accounting staff to review the codes. If errors are found, correct the codes on the PRs Accounting Codes tab

and resubmit it. If the codes are correct, address an email to Central Accounting at CentralAccounting@milwaukeecountywi.gov to request a new expense budget. Include the agency, org & object used on the PR or attach a screen shot of the PRs Accounting Codes tab. You will be notified when added. Open the PR & resubmit it.

14. MPC automatically transmits POs by electronic means to the vendor after the order is encumbered as a PD in the Advantage System (unless Do Not Send to Vendor is selected). Transmitting the purchase order to the vendor assures the accuracy of your order and provides the County with legal means to follow-up on incorrect shipments or wrong pricing.

15. How do I print POs? Print PD/SCs from OnBase. To print MPC orders, open the PO. Select Document Actions > Print Fax Version. Select File > Print.

16. When goods are delivered or services performed:

- Determine quantity to be received and quantity remaining to be received (i.e. backordered) by PO line.
- Prepare a Receipt in MPC by line for quantities delivered/provided. Select "partial" if there is a backorder coming on a line and "final" if there's no backorder. **Do NOT wait to enter a receipt until the order is complete because vendors bill partial shipments right away.**
- If goods are returned, receive the quantity **delivered/provided** so the credit memo can be deducted from the payment voucher.
- If goods are damaged or there is a shortage— contact the vendor and/or prepare a claim form (if applicable).
- If there is a problem with the order, type a "good faith dispute" letter. Sending a letter of dispute frees Milw. County from interest charges while you are involved in the dispute. Be sure to reference PO and send a copy to A/P.

17. Prompt processing of Advantage documents ensures prompt payment. The State Prompt Payment Law requires payment in 30 days of receipt unless there is a "good faith dispute". Interest accrues at the rate of 12% on past due invoices.

18. A payment voucher is created as a result of 3 Advantage documents being issued: the purchase order, a receiver and the vendor's invoice.

- Purchase Orders (PD/SC):
 - a. **PD** – Purchase Orders issued from PRs entered and approved in MPC. MPC PO's are released to vendors after funds are encumbered in Advantage as PDs via an interface.
 - b. **SC** – Purchase Orders issued from SCs entered and approved in Advantage. Funds are encumbered in Advantage as a result.
- Receipts/Receivers (RC):
 - a. **Receipts** – Depts enter receipts in MPC when goods or services are delivered/provided. The details of the receipt become an RC in Advantage via an interface. **Exception:** enter a receipt for a "Check Enclosed" PO as soon it's marked "Complete" in MPC.
 - b. **Receivers** – Depts enter RCs for SCs into Advantage when goods or services are delivered/provided.
- Vendor Invoices (VI):
A/P staff enters the vendor's original invoice as a **VI** in Advantage.
- Payment Vouchers (PVA):
The "3-Way Match" between the purchase order (PD/SC), receiver (RC) and & invoice (VI) automatically creates a payment voucher in Advantage's overnight batch run cycle.
- Checks or Payment Plus EFTs:
A/P audits and approves the payment voucher, which causes payment to be issued.

19. Verify that purchase orders & receivers are complete in the Advantage system. Payment vouchers cannot be created until purchase orders (PD/SC) and receivers (RC) are completed.

The Incomplete Receiver Report is sent to Depts weekly to ensure Receipts and Receivers are entered. **If you receive this report there is a problem that must be fixed.**

Call A/P for assistance at 278-4391.

20. If the vendor bills a higher price than the PO price, who can authorize payment? How?

- **POs issued in MPC** – Depts can authorize payment of a higher price only if the Dept obtained the price quote. If Procurement obtained the quote, the Buyer must authorize a higher price.
- **SCs issued in Advantage** – Depts authorize payment of a higher price.
- **Price changes may require modification of the purchase order.** In some situations, adding a Comment to the PO will substitute, but only if as a part of adding the Comment, an email is sent to the A/P staff member that handles the vendor. Call 278-4391 to determine which is appropriate in specific situations.



PROCUREMENT STAFF

633 W Wisconsin, Suite 901

**Main Fax Number: 223-8107
Main Phone Number: 223-8100**

Procurement Director

Patrick Lee 278-4137

Buyers

Andrew Desnoyers 223-8128

Carsten Peterson 223-8127

Contracts

Erin Schaffer 278-4129

Lacy Parson 278-8109

Suzanne Carter 223-8112

Purchasing Card Coordinators

Andrew Desnoyers 223-8128

Patrick Lee 278-4137

Administrative Assistant

Quemesha Madison 223-8103

Commodity Codes, MPC Support,

MPC Vendor Numbers,

EEO Certs, Ship To Codes

Milena Durutovic 223-8114

ACCOUNTS PAYABLE STAFF

Courthouse, Room 301

Main Fax Number: 223-1860

Main Phone Number: 278-4194

Accounts Payable Manager

Susan Walker 278-4193

Accounts Payable Supervisor, Advantage Vendor Numbers

Carla Hickmon 278-4439

Advantage Support & Training, MPC Receipt Support

Eileen Rossow 278-4391

Contract Encumbrance & Payment

Richard Tracy 278-5130

Who to Call When You Have an A/P Problem

Central A/P assigns responsibility to staff based on the vendor's name. Following is a list of vendor assignments as of May 2017. If this newsletter is out-of-date check the Milwaukee County Forms Library article "Accts. Payable Staff's Vendor Assignments" for current vendor assignments.

A-C

Tracee Schubring 278-4196

D-K

and Personnel Specialists

except I.T.U. Absorb Tech

Lisa Zollicoffer 278-4204

L-P

and I.T.U. Absorb Tech

except Personnel Specialists

Joyce Austin 278-4195

Q-Z

Terri Athey 278-4325

How do I Authorize Central A/P to pay Shipping, Handling, Insurance & Fuel Surcharges?

For Punch Out Orders: Per contract, Milwaukee County is normally not liable for shipping, handling, insurance or fuel surcharges when the order is from a Punch Out vendor UNLESS the sticker on the Marketplace Central Home page indicates it is allowed. If it does, it is OK to add a line to the order for the specified fees.



For Price Agreement Orders (PA): Do not enter these fees unless there is a line on the PA that can be used to add them to the order. Milwaukee County does not pay these fees unless there is a line on the PA for them.

For NonCatalog Orders: Milwaukee County pays shipping, handling, insurance and fuel surcharges that are billed for these orders. Whether you need to put a line on the order (or not), depends upon the total cost of the order and whether the vendor has quoted a "not to exceed" amount.

- If you were quoted a "not to exceed" amount, always put a line on the order using \$1.00 as the price. For example, for a \$50 quote, enter 50 x \$1.00. Be sure to use USD in the "packaging" field.
- If you do not have a quote and the total of the order is over \$2,000, add an External Note that says, "It is OK to pay reasonable Shipping, Handling, Insurance, Packaging & Fuel Surcharges". If this External Note is added, A/P can pay the fees without further authorization.
- If the total of the order is \$2,000 or less no lines or notes are necessary. Central A/P is allowed to pay reasonable Shipping, Handling, Insurance, Packaging & Fuel Surcharges without authorization.

Important Notes:

- In the event that the vendor bills Shipping, Handling, Insurance or Fuel Surcharges that have **not** been authorized as stated above, the department and/or Procurement will be contacted by a clerk in Central Accounts Payable.
- If it is determined that these fees should be paid, authorization is required. This is done by adding a Comment to the purchase order (as it can no longer be added to the External Notes). As part of adding a Comment it can be emailed. It must be emailed to the clerk in Central A/P that contacted you. The emailed Comment is the authorization to pay.

[Punch Out Catalogs](#)
on the
Home Page
as of
9/27/2017 >>>

Punch Out Catalogs					
					No Freight for order over \$150
 No Freight for order over \$300					

[Price Agreements](#)
on the
Home Page >>>

Price Agreements/Contracts					