

# Improvements to Processing Purchase Order Invoices

Presenters:

Lynell Griffin, Director - Disbursements

Cindy Lyons, AVP & University Controller

# Introduction

## Agenda

1. UMB Funds
2. State Regulations
3. Policy and Procedures
4. Purchase Order Invoices
5. Current PO invoice processing procedure
6. New PO invoice processing procedure
7. Tools for managing PO invoices
8. Useful resources
9. Questions

# 1. UMB Funds

Authority: The State requires all agencies to assign fiscal responsibilities.

**UMB Office of the Controller is charged with developing policies and procedures that govern university financial transactions.**

UMB Legal Counsel created the following definition of UMB Funds:

**All funds administered by UMB, regardless of fund source. UMB funds include State-appropriated general funds, tuition, fees, and other income, as well as auxiliary funds, revolving/discretionary funds, Designated Research Initiative Funds, gifts, contract or grant revenues, and other restricted funds.**

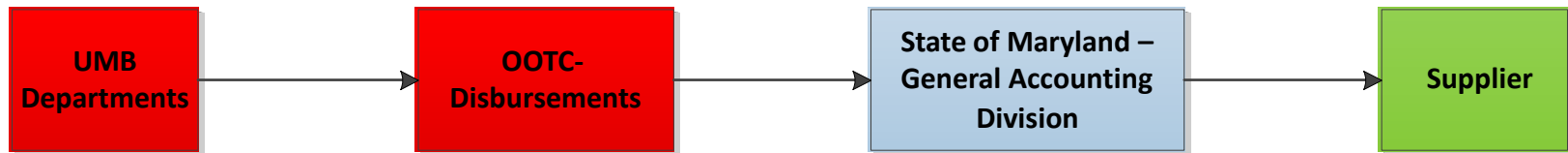
## 2. State Regulations

## State of Maryland Regulations

- According to State Regulations: The Comptroller of Maryland has authority over all State financial matters.
- The General Accounting Division (GAD) was established to oversee financial transactions of State agencies.



# State of Maryland Regulations



**\*\* Agency fiscal personnel will be held accountable for the accuracy and content of their financial information in R\*STARS.**

# 3. Policies and Procedures

## Policies

- [VIII-7.11\(A\) UMB Code of Ethics and Conduct](#)
  - Act as good stewards of the resources entrusted to UMB's care. Comply with financial requirements and internal controls applicable to funds and property managed by them and under their oversight.

## VIII-7.11(A) UMB Code of Ethics and Conduct

(cont'd.)

- Comply with all laws, rules, regulations, policies, procedures, and professional standards, including the Maryland Public Ethics Law, applicable to their employment and their UMB responsibilities, and cooperate with training and continuing education initiatives of UMB to make them aware of their responsibilities.
- Comply with their assigned or assumed responsibilities to fulfill UMB's obligations under contracts, grants, and other legal agreements.

## VIII-7.11(A) UMB Code of Ethics and Conduct (cont'd.)

- Disclose and avoid improper or unlawful conflicts of interest and conflicts of commitment.
- Report known or reasonably suspected wrongdoing; refrain from retaliating against those who report known or reasonably suspected wrongdoing; and cooperate fully with authorized investigations of reports of wrongdoing.

# Procedures

- Disbursements for Standard Procurements
  - In accordance with the Md. STATE FINANCE AND PROCUREMENT Code Ann. §§ 15-103, all invoices received by the State must be paid within 30 days. In addition, under Title 21.07.01 of the State Procurement Regulations, invoices must be received in the State of Maryland General Accounting Division (GAD) within 25 days after the date the invoice is received at UMB, or acceptance of the merchandise or services has been recorded, whichever is later.

# Procedures

- Receipt Requirements
  - A receipt is an entry into Quantum recognizing that goods and/or services have been received by the Operational Unit.
  - After goods or services are received, the Operational Unit must immediately enter the receipt into Quantum.
  - **A receipt is required for all PO Invoices, regardless of amount.**

# Procedures

## Current State Law

In accordance with the Md. STATE FINANCE AND PROCUREMENT Code Ann. §§ 15-104, 15-105, and 15-222, vendors may be entitled to interest on late invoice payments if:

1. The invoice is due and payable by law and written under the procurement contract; and
2. The invoice remains unpaid more than 45 days after receipt of goods or services; and
3. The vendor submits an invoice for the interest within 30 days after the date of the State's check.



# Procedures

## State Law Effective July 1, 2023:

Interest not only accrues but is also payable after 37 days. Accordingly, to the extent that some payments are made after 37 days, agencies may be liable for accrued interest, beginning in June 2023.

# 4. Purchase Order Invoices

# Purchase Order Invoices

## 2. Purchase Orders & Pro Card (P-Card)

Issuance of an official purchase order or use of the VISA purchasing card, are the only methods of purchase for goods and services obligating UMB. The standard purchase order may be used for orders of any dollar amount.

The VISA purchasing card may be used for making purchases where the single order does not exceed \$4,999. Vendors are cautioned that some cards have lower single transaction limits (less than \$4,999) and monthly credit limits vary per card. It is the responsibility of the vendor to be sure that the card being used is authorized for transactions being made. It is illegal to artificially split orders in order to avoid the procurement process.

When an emergency or urgency arises, SSAS may place an order by telephone or other means (i.e. fax, email). However, in those instances, a purchase order number is assigned and a confirming order will follow. Individual departments and employees are not authorized to place orders directly to vendors under these circumstances.

# 5. Current PO invoice processing procedure

## Current Procedures

- Invoices are received in Disbursements via mail, email from a supplier, or directly from the department.
- Invoices are assigned to staff based on alphabetical letters.
- Disbursements staff review the purchase order associated with the invoice to determine if a receipt has been entered in Quantum Financials.
- If a receipt has been entered on the PO, the invoice is entered into Quantum Financials and the invoice including the required supporting documentation is sent to the State for payment.

## Current Procedures

- If a receipt has not been entered for the invoice, Disbursements staff will email the requestor of the purchase order. A copy of the invoice is attached to the email.
- Disbursements sends a maximum of two email requests for a receipt. If a receipt is not entered into Quantum Financials within the requested time frame, the invoice is not paid and is removed from the workflow. Future payment of the invoice requires resubmission to the AP email inbox. The timeline restarts.

# Current Procedures

## Issues with the current method of processing:

- Overall process no longer efficient since the transition to Quantum Financials.
- Disbursements manually sends multiple emails requesting a receipt
- Time spent sending multiple emails delays processing of valid invoices
- Other than emails, there is no record of invoices that have been removed from the workflow as a result of missing receipts
- Departments often request copies of invoices

# 6. New PO invoice processing procedure



# New Procedures

- Invoices are received in Disbursements via mail, email from a supplier, or directly from the department.
- Invoices are assigned to staff based on alphabetical letters.
- Disbursements staff review the purchase order associated with the invoice to determine if a receipt has been entered in Quantum Financials.
- If a receipt has been entered on the PO, the invoice is entered into Quantum Financials and the invoice including the required supporting documentation is sent to the State for payment.

## New Procedures

- If a receipt has not been entered on the PO, the invoice **will be entered** into Quantum Financials; however, the invoice will be in a “**Needs Revalidation**” status.
- Once the invoice is entered into Quantum Financials, Disbursements will “index” the invoice in ImageNow. ImageNow will automatically send a PDF copy of the invoice via email to the requestor listed on the PO.

# New Procedures

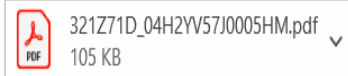
Immediate Action Required: PO# 10000 [REDACTED] Inv# [REDACTED]




DL-BFaccounts payable@umaryland.edu

To  Griffin, Lynell

 You forwarded this message on 1/13/2023 10:34 AM.



Thu 1/12/2023 2:16 f

 Open PDFs in Adobe Acrobat

Hello.

The attached invoice has been entered into Quantum Financials. In order to pay the invoice, please create a receipt. Be sure the receipt matches the invoice. Instructions for creating a receipt in Quantum Financials can be found [here](#).

If you have already created a receipt, thank you. Invoices that are not receipted within 7 days will be cancelled out of the financial system and will not be paid.

For questions related to the invoice, please contact the [team member](#) assigned to the supplier.

\*\*\* Please do not reply to this email. This mail account is not monitored.

## New Procedure

- Every weekday morning a process will run in Quantum Financials to validate invoices. If the PO invoice does not find a receipt, a **Quantum System generated** email will be sent to the requestor.
- The requestor will be able to receive up to the amount of the invoice from the email or go directly into Quantum Financials and receive the goods/services.

# New Procedures

Action Required: Purchase Order 1000012405 Requires Receipt Confirmation




Tue 1/3/2023 11:38 AM



 <efzv-test.fa.sender@workflow.mail.us6.oraclecloud.com>

To  Griffin, Lynell

 if there are problems with how this message is displayed, click here to view it in a web browser.

**CAUTION:** This message originated from a non-UMB email system. Hover over any links before clicking and use caution opening attachments.

Access this task in the [Workspace Application](#) or take direct action using the links in this email:

**Actions:** [Receive up to the Invoiced Amount](#)

Purchase Order 1000012405 Requires Receipt Confirmation

## Details

Assignee  90560012

Assigned Date 01/03/2023 11:37:29 AM

Expiration Date 01/18/2023 11:37:29 AM

Task Number 1305361

## Information

Purchase Order 1000012405

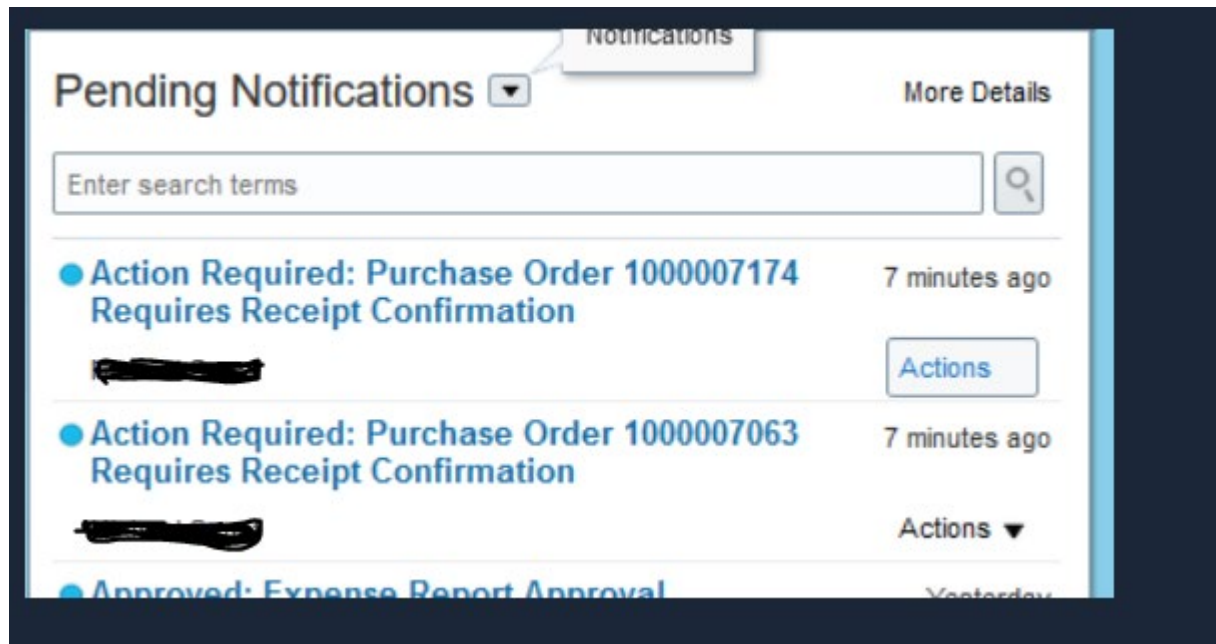
Supplier EVERYLIBRARY INSTITUTE NFP

Expected Receipt Date 09/23/2022

Buyer Eshleman, Ronald

## New Procedure

- Notifications will also be in the bell icon on the Quantum Financials homepage.







## New Procedures


- A requestor will receive the notification only ***once***.
- After the 7<sup>th</sup> day, two things will happen:
  - A notification will be sent alerting the requestor that the receipt confirmation request has expired. This means there will be no additional notifications related to this receipt request.
  - Disbursements will cancel the invoice out of Quantum financials and the invoice will not be paid.

# New Procedures

Expired: Purchase Order 1000012421 Requires Receipt Confirmation

  <efzv-test.fa.sender@workflow.mail.us6.oraclecloud.com>  
To  Griffin, Lynell

 Reply  Reply All  Forward

 If there are problems with how this message is displayed, click here to view it in a web browser.

**CAUTION:** This message originated from a non-UMB email system. Hover over any links before clicking and use caution opening attachments.

Access this task in the [Workspace Application](#)

## Purchase Order 1000012421 Requires Receipt Confirmation

### Details

Assignee 

Assigned Date 01/09/2023 04.08.43 PM

Expiration Date 01/11/2023 04.08.43 PM

Task Number 1306127

### Information

Purchase Order 1000012421

Supplier LEWES PUBLIC LIBRARY INC

Expected Receipt Date 09/19/2022



# New Procedures

- A few things to consider:
  - The invoice will go to the requestor on the purchase order. If the person responsible for receipting the PO is different, the requestor will need to forward the notification to the appropriate person.
  - Disbursements will utilize a report to review receipts created within the last 24 hours. This will ensure invoice corrections are identified proactively to prevent missing receipt notifications from being sent in error.

## New Procedures

- A few things to consider (con't):
  - Email communication directly from a Disbursements staff member will still occur for concerns relating to missing PO numbers, invoice corrections, etc.
  - Departments are encouraged to continue to submit invoices along with the receipt numbers with the first invoice submission to the AP email inbox.

## New Procedures

- Benefits of the new process:
  - Reduction of emails from Disbursements.
  - Departments will have a copy of every PO invoice charged to their unit.
  - Ability to see what invoices have been cancelled due to a missing receipt (a monthly report will be created).
  - Timely payments to suppliers.

# 7. Tools for managing PO invoices

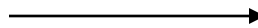
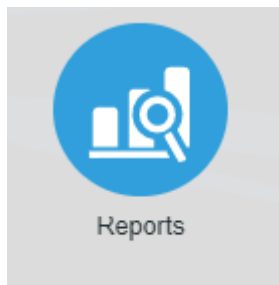
## How to Check for Payments

### Three Options:

- Quantum Financials Report QFN-205
- Quantum Analytics Budget to Actuals Details Report
- Quantum Analytics Transaction Details Report

# How to Check for Payments

## Quantum Financials:



Payables

Invoice Status (QFN205)

### QFN205 - Invoice Status Report

Invoice Number	Invoice Amount	Line Amount	Invoice Date	Creation Date	Supplier	Supplier Site	Validation Status	Approval Status	Payment Status	Invoice Type	Payment Method	Check Number	Payment Date	State Check Number	State Check Date	Created By	BU Name	Distrib Line Posted?	Account Combo/SOAPF	Org	Project	Award	Invoice Group	Line Hold Name	Line Hold Reason	PO Number
INV898701	\$769.43	\$569.10	2022-07-28	2022-08-02	ADVANCE BUSINESS SYSTEMS	3-P.O. BOX 748408	Validated	NOT REQUIRED	Fully paid	Standard	STATE_PAYMENT	169779	2022-08-02	054583548	2022-08-09	Foster.Katrina.15050188	PO	Y	3717-105-06203000-000000-000000000-620-00-00000-000	06203000						1000011705
INV899060	\$769.43	\$200.33	2022-07-28	2022-08-02	ADVANCE BUSINESS SYSTEMS	3-P.O. BOX 748408	Validated	NOT REQUIRED	Fully paid	Standard	STATE_PAYMENT	169780	2022-08-02	054583548	2022-08-09	Foster.Katrina.15050188	PO	Y	3717-105-06600000-000000-10006491-620-00-00000-000	06600000						1000011705

Criteria: PO Number = 100011705. There are many search options!

# How to Check for Payments

## Quantum Analytics:

### All Activities Management

#### Trends

Provides various graphical and tabular displays to analyze trends in revenues and expenses.

#### All Source

Provides revenue and expense detail across sources. Includes net asset rollforward. Drillable to SOAPF detail.

#### Search

Tool to identify SOAPF codes meeting various criteria. Drillable to Budget to Actual Detail.

### Budget to Actuals Summary

Analyzes revenues and expenses with comparisons to budget and previous fiscal years, summarized by chart of account segments.

### Budget to Actuals Detail

Comprehensive review of activity for a single SOAPF code. Includes comparison to budget, previous fiscal years, and various reports on transactions and current balances. Ideal for managing an individual budget. Drillable to transaction detail.

# How to Check for Payments

## Quantum Analytics:

- Enter SOAPF
- After the report details are displayed, scroll down and Select PO Radio Button:

**Additional Functionality Now Available:**

**New Report:** What are my POs on this SOAPF Code?

**New Drill** to Transaction Details from Budget to Actuals Detail (this page):

**Additional Functionality To Be Delivered:**

**New Report:** Who is being funded by Cost Sharing by this SOAPF Code?

For this SOAPF Code:

- Who Is Being Funded?
- What Are The POs and PRs?



# How to Check for Payments

## Quantum Analytics:

- The results show all POs funded by the SOAPF
- Sample screenshot:

PO/Reference	Original Doc/Doc Nbr	Accounting Event	Line Item Detail	Attr Cat	Attribute 1	Attribute 2	Created Date/Attribute 5 ▲▼	Amount
1000009119		R23-10 - Purchase Requisition Converted to PO	1 - Accounting Services- Reporting services [REDACTED]		Atheena Bostic	Services	01/03/2022	-45000.00
	1000009119	R25-12 - Purchase Order Approved	1 - Accounting Services- Reporting services [REDACTED]		Atheena Bostic	Services		45000.00
	1000009119	R26-20 - PO Invoiced Amount	1 - Accounting Services- Reporting services [REDACTED]	[REDACTED]	McCormick.Nikki.79860185	2112S7X 2201S7X 2201T7X		-1607.39 -2154.45 -7865.31

# How to Check for Payments

## Quantum Analytics: (another option)

### Downloads Management

#### Quantum GL Balances

Download General Ledger Balances by fiscal period at the OSOAPFUFU level. Amounts include fiscal period actuals, year-to-date actuals and encumbrances, and annual budgets.

#### Quantum Awards

Download Quantum Awards with budgets, revenues, billings, costs and commitments summarized at the award level. Also includes demographic data describing the awards. All data from Quantum Financials.

#### Quantum Projects

Download Quantum projects with budgets, revenues, billings, costs and commitments summarized at the project level. Also includes demographic data describing the projects and the awards with which they are associated. All data from Quantum Financials.

#### HRMS Payroll

Download payroll charges detail by employee, object, SOAPF, POETAF (if applicable), affected pay period, and posted pay period. Available only to those with the Payroll Analyst role.

#### Kuali Proposals

Provides a summary of proposals download detail

#### Kuali Awards

Download Kuali Research award information at the award and project level.

#### Transaction Details Union

Find and download transaction detail information across all sub-ledgers.

## How to Check for Payments

### Quantum Analytics:

- Enter Parameters
- Select PO Invoice/AP Travel for Transaction Type
- When the results appear, look at Attribute 6 and Attribute 7 columns for check number and check date:

Transaction Type	Document Number	Amount	Amount Type	Document Description	Attribute 6	Attribute 7
R02-PO Invoice / AP Travel	00	\$0.00	Actuals			
R02-PO Invoice / AP Travel	13429	\$9,700.00	Actuals			
R02-PO Invoice / AP Travel	2052713319	\$110.48	Actuals		054568079	02-AUG-22
R02-PO Invoice / AP Travel	2052886808	\$110.32	Actuals		054634483	31-AUG-22
R02-PO Invoice / AP Travel	2053045480	\$110.80	Actuals		054729122	13-OCT-22

## Analytics Reporting Training:

Buzz Merrick

[bmerrick@umaryland.edu](mailto:bmerrick@umaryland.edu)

- Training dates are published in the [Quantum Bytes](#)
- Recorded seminars:  
<https://www.umaryland.edu/quantum/training-and-support/quantum-webex-seminars/>

# 8. Useful resources

## Resources

- Disbursements webpage:  
<https://www.umaryland.edu/controller/disbursements/>
- Quantum Financials Training and Support:  
<https://www.umaryland.edu/quantum/training-and-support/>
- Quantum UPKs:  
<https://cf.umaryland.edu/upk/quantum/PlayerPackage/index.html?Guid=f4c7c798-0b6b-4e89-bcb5-786b4cc57060>

## Resources

- GAD's Online Service Center:  
<https://interactive.marylandtaxes.gov/extranet/gad/GADLogin/login.asp>
- Contains payment information, link to EFT form, liability offset information

## Resources (con't)

- [UMB Purchasing Guide](#)
  - Details the procurement process and contains other pertinent information to the purchasing process for UMB
- [Quick Reference Guides for Purchases and Payments](#)
  - Includes guides for general procurement processes, procurement dollar thresholds and limits, a payment type table, and invoice and payment workflow.



# Questions?

