Session Objectives

At the end of this session, you will be able to:

- Understand the External Invoicing process
- Learn about policies, procedures, roles and responsibilities, collection, tax implication
- Create an invoice to a customer
- Copy a previously created invoice
- Print and email your invoices with ease
- Monitor the status of all your invoices
Benefits of FAST AR

- Easy to navigate = USER friendly!
  - Fabulous invoice functionality
  - Ability to copy
  - Print multiple invoices at once
  - Send invoices by email
  - Add attachments to your invoice

- Allows you to record revenue when earned, before payment is received
- Makes the budget reconciliation process easier
- Great visibility/communication
- Real time reports
  - Variety of reports at your fingertips
  - Easy to use
- Offers approval functionality
External Invoicing

- Occurs when the University provides a good/service to an external organization or individual (customer)

- Examples:
  - Funding agency for a research grant
  - Salary sharing agreement Billing tenants for monthly lease payments
  - Laboratory Tests/ Analysis
  - Technical Service Agreement
  - Conferences/ Workshops

External Invoicing

- Roles & Responsibilities detailed in the “Invoicing and Collections” policy and procedures documents
  - Details responsibilities of Financial Services (RCGA) and the Faculties/Units

Familiarize yourself with the policy & procedures

Roles & Responsibilities

Faculties/Units:
- Obtain training on FAST Accounts Receivable
- Assess credit risk of customer prior to sale
- Provide goods or service to customer
- Understand revenue recognition principle –
  - Do not invoice before goods are transferred/service provided
  - Bill on time! – in the month when the revenue is earned
  - Pay attention to specific deadlines for contract-related billings

Roles & Responsibilities

Faculties/Units cont’d…
- Record, print and mail/email invoice to customer
  - Insure accuracy of the accounting entries on your invoice (FOAP)
- Assess and assign correct taxes on invoice
  - UofM is a GST & PST registrant
- Discuss any invoice discrepancies/issues with customer
- Request cancellation/adjustment to an invoice if necessary
- Review the AR Aging report on a regular basis
Roles & Responsibilities

Faculties/Units cont’d…
- Follow up with customers regarding outstanding invoices
- Inform RCGA of any collection issues that may exist
- Accept the subsequent costs of all collection activities
  - Examples:
    - Bad debt expense (if written off)
    - Collection agency/legal fees

Roles & Responsibilities

Financial Services:
- Administer the FAST Accounts Receivable system
- Apply customer payments to invoices
- Issue statement/reminders to customers
- Work with units & Legal Counsel on pursuing further collection efforts if required
- Assist units with collection of old outstanding invoices
- Write off invoices deemed uncollectable
*New*: FFSA & TSA

- What is FFSA? Read the guidelines from VP Research: http://umanitoba.ca/research/media/Fee-For-Service_Activities_Guideline.pdf

  Highlights related to billing:
  - TSA must be in place when doing business with External Organisations (overhead 40%)
  - Institute to Institute disclaimer must be in place when doing business with External Post-Secondary Institutions (no overhead)
  - No TSA is required for Internal University of Manitoba Clients (no overhead, ID charge)

*New*: FFSA & TSA

- Invoices must be issued through FAST AR for all Fee-For-Service Activities with external parties
- Assess Sales Taxes similarly to any other sales & services invoices depending on the commodity provided under the agreement
- Include the 40% overhead charge in the price of the service(s) being delivered – not separately in the description block of the invoice
- Ensure to split the funds between FUND A (Direct Costs 60%) & FUND B (Institutional Costs 40%) in the FOAP block
*New*: FFSA & TSA

- New revenue accounts:

  **External**
  - 522023
  - External TSA FFSA (60%)
  - 524524
  - External Overhead (40%)

  **Post-Secondary**
  - 522024
  - Post-Secondary FFSA (100%)

  **Internal**
  - 532017
  - Internal-Fee for Service

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**Payments**

- We accept:
  - Cheques
    - *UofM Remit-to Address:*
      - University of Manitoba
      - Revenue, Capital and General Accounting
      - 315 Administration Bldg.
      - Winnipeg, Manitoba R3T 2N2
  - Cash
  - Interact (can be made at the Cashiers’ Offices)
  - If cheque/cash received by the department, send it to Cashiers’ Office referencing Invoice #
Payments

- We do not accept Credit Card Payment centrally
- Units may be set up with a Merchant Account
  - Learn about requirements and regulations:
    [http://umanitoba.ca/admin/financial_services/media/new_merchant__FAQ(2).pdf](http://umanitoba.ca/admin/financial_services/media/new_merchant__FAQ(2).pdf)
    - Consider fees (charged to the unit)
    - Consider Administration
    - Contact Alicia Bressani at 9574 for more information
- When sending your payment information to RCGA reference the *Invoice number* for accurate payment application (where applicable)

Payments

- Wire Transfers
- Direct Deposits
  - Remittance Advises can be directed to
    [Accounts_Receivable@umanitoba.ca](mailto:Accounts_Receivable@umanitoba.ca)
- Currency:
  - CAD & USD
- Currency exchange gain or loss is absorbed by the billing unit
FAST AR Assistance

- **Revenue Accounting**
  204-474-8362
  accounts_receivable@umanitoba.ca

- **Aurora Finance Customer Service**
  204-480-1001 → Ext 3 - Access & Assistance
  aurora_finance@umanitoba.ca

Thank you!