External Invoicing

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Documentation Conventions

To Note Option for working with the system NEW New/ Additional functionality
Additional information can be found at...
Warning!
All About External Invoicing

External invoicing takes place when the University of Manitoba provides a good and/or service to an external organization. Some examples of external billings are:

- Billing to funding agencies for research grants
- Billing to affiliated organizations for goods/services provided
- Billing for salary sharing agreements with other organizations
- Billing tenants for monthly lease payments

The creation of external invoices and accounts receivable management takes place through the FAST Accounts Receivable Module.

Roles & Responsibilities

The Invoicing and Collections Policy and Procedures documents detail the following responsibilities for each involved party at the University of Manitoba:

Policy and Procedures can be found at www.umanitoba.ca/admin/governance/governing_documents/financial/387.htm

Faculties / Units

- Request access from Aurora Finance to the FAST AR module
- Assess credit risk of each customer before making a sale; review the Customers with Suspended Credit pinned report on the FAST AR homepage.
- Provide a good / service to the customer
- If required, submit a request to General Accounting to create a new customer in the system
- Record the invoice in FAST and provide to customer
- Correspond with the customer on any invoice discrepancies / issues
- If required, request General Accounting cancel or adjust invoices recorded in error
- Follow-up with the customer regarding outstanding invoices
- Inform General Accounting of any collection issues that may exist
- Bear the subsequent costs of all collection activities i.e. bad debt expense (if written off), collection agency / legal fees (if these methods are pursued)

Responsibilities of the Financial Services (General Accounting)

- Administer the FAST AR system (control user access to system, set up new customers upon request, cancel invoices and make adjustments to customer accounts upon request)
- Apply payments received to customer accounts
- Issue statements / reminders to customers
- Assist Units with collection of old outstanding invoices
- Control of sending accounts to collection agency
- Write-off invoices deemed uncollectable
External Invoicing Process

The process below assumes that user access for invoicing has been established, credit has been granted and the customer is set up in our system.

1. Good or service is provided to a customer
2. Invoice is recorded in FAST Accounts Receivable module (sets up an Accounts Receivable and credits the Unit’s revenue)
3. The invoice is provided to the customer
4. If everything goes smoothly, payment is received by General Accounting, recorded in our system (applied to customer’s account) and gets deposited to the bank. The process ends here for the majority of problem free transactions.

Payment should be sent to 315 Administration Bldg.

Please encourage all customers to send payments to:

The University of Manitoba,
General Accounting
315 Administration Bldg.
Winnipeg, MB R3T 2N2

This is University’s official Remit-to address.

When payment is not received, the following takes place:

5. Every 30 days General Accounting automatically issues reminder statements to customers
6. General Accounting expects the Unit to review the real-time AR Aging report available through FAST AR and expects a response back from the Unit indicating the status of each invoice over 90 days old (Is payment on the way? Is there a dispute? Has a payment arrangement been made? Etc.)

Reasons General Accounting looks for feedback on a monthly basis on invoice status are:

- Cash flow purposes. When a Unit records an invoice, their FOAP is credited immediately and their spending power increases. Sometimes this money can be spent by a Unit before it is collected, thus putting the University in a cash shortage position.
- Auditors are very interested in old outstanding invoices and want proof that they are collectable. If we cannot do this, then this requires us to set up an allowance for the balances.
- If an invoice remains outstanding for an extended period of time (i.e. six months), and no payment arrangements have been established with the customer, General Accounting will charge the invoice back to the Unit’s FOAP (bad debt expense).
7. General Accounting will work with the Unit on further collection options (use of a collections agency or UofM legal department) if required. Departments are accountable for collection.
8. Once all collection efforts have been exhausted (no success with collection agency or legal route) the outstanding invoice will be written off.
**Charge Backs / Allowance for Doubtful Accounts**

When the ability to collect an invoice is in question / doubt exists, General Accounting will set up an allowance for doubtful accounts and charge back the invoice amount to the Unit’s FOAP that was originally credited by the invoice.

- This is done to be consistent with the accounting rules and satisfy our external auditors.
- General Accounting will perform this charge back-entry twice per year (once in September and once in March).
- The Unit Business Officer will receive an email from General Accounting one month prior to this happening to allow time for follow-up and resolution. If payment is not collected or reasonable payment arrangements with the customer are not established, General Accounting will charge back the invoices to your Unit’s FOAP and email the Unit Business Officer.
- Should payment from a customer be received after a charge back has been processed, the cash received will be credited back to your Unit’s FOAP.
- In parallel with the above described charge-back process, General Accounting will work with the issuing Unit on further collections options such as the use of a collection agency or referral to our legal department.

**Write-Offs**

- A write-off will take place when all efforts to collect an outstanding invoice have been exhausted.
- You have issued an invoice, sent reminder statements, followed up with phone calls / meetings and perhaps taken the collection agency / legal route with no success.
- General Accounting will process the write-off entry to clear the receivable off the balance sheet. No further collections efforts will take place.
- Financial Services write-off policy is as follows:
  - Invoices < $50 = written off upon request from the Unit
  - Invoices > $50 < 1K = RCGA must approve the write off
  - Invoices > 1K < 5K = Associate Comptroller must approve
  - Invoices > 5K = Comptroller and VP Admin must approve

**Sales Taxes**

- The U of M is a GST and PST registrant.
- We are responsible to charge, collect and remit GST/PST on taxable sales.
- If we fail to comply with GST/PST regulations, the potential liability may be significant.
- All staff responsible for invoicing must do their due diligence on each invoice to determine if taxes are applicable or not.
- If your customer is located in an HST-participating province, consider application of HST (refer to CRA website for more details).
- If uncertain whether taxes apply or not, the following steps may be taken:
- Research the applicability of taxes on the CRA and/or MB Finance websites:
  - PST: [http://www.gov.mb.ca/finance/taxation/bulletins.html#rstbulletins](http://www.gov.mb.ca/finance/taxation/bulletins.html#rstbulletins)
• Refer to the Invoice screen Page Notes (see pages 6 and 9).
• Ask your faculty’s Business Manager for assistance.
• Contact the Assistant Manager, General Accounting (474-8480) for assistance.

FAST AR Browser Requirements

If you are accessing FAST Accounts Receivable from Internet Explorer, you need to change your Internet Options in order to preview and/or print your invoices. Follow these steps to change your browser settings:

1. Select Internet Options from your browser Tool menu.
2. Select the Security tab at the top of the box.
3. Click on the Custom level button towards the bottom of the box.
4. Look for the Downloads settings section.
5. Under the Automatic prompting for file downloads, select the Enable button.
6. Click the OK button.
7. Select the Advanced tab at the top of the box.
8. Under the Browsing section, select Notify when downloads complete.
9. Click the OK button.

FAST AR Invoice Contact Information

When creating an invoice for the first time, ensure that your name, phone number and email address appear on the invoice in the Dept. Contact fields. If they do not, contact Aurora Finance at 480-1001.
Accessing the FAST Accounts Receivable Module

Once you’ve logged into the FAST Tool, select the Accounts Receivable Application…

The Accounts Receivable homepage will appear after selecting the application.
1. **Menu Bar**: Contains the various menus you have access to:
   - Invoice – Contains the various options your access provides you with regards to invoicing.
   - Reporting – Provides you with your FAST reporting options.
   - Help – Access the online help information from Millennium Computer Systems.
     - Select to return to the main FAST homepage
     - Click the “Hamburger” button to contract the menu bar

2. **Tabs**:
   - Information on the Accounts Receivable application
   - QuickLaunch – provides with the easy access to often used pages
   - View frequently used reports
   - Schedule Pinned Reports to be sent directly to your e-mail inbox

3. **Links & News**:
   - A/R Links – Websites and forms users may find helpful when performing the billing function.
   - News – System updates or news from Financial Services and/or IST.

4. **Applications**:
   - Select any of the other FAST applications for which you have been given rights to, e.g. Financial Reporting, Budget Transfers

**AR Icon Glossary**

These are the icons you will need to be familiar with when working in the invoicing screens:

- **Add New** (only works after completing previous lines and saving your work)
- **Close and Cancel**
- **Save**
- **Save and add a new line**
- **Close Dialog Box**
- **Delete**
- **Edit**
- **Select / Okay**
- **View the PDF Print Preview of your created invoice**

On the AR pages, there is a Navigator Toolbar with icons that can be used while working in the system. Some icons will not be available unless performing certain procedures.
Creating a New Invoice

In the Invoice menu, select New.

Historical Image of Invoice Menu

Invoice Header

The Invoice Header will appear. Enter information in the following fields...

- The Invoice number is generated when you save the invoice.
  
a. Select/ type either a Customer or a Customer ID. The lists are synchronized, so if you pick an item from one field, the other is filled in for you.
  
b. In the Attention field, the customer name will default based on the ID you selected. You can override the contact information if needed.
  
c. The Address defaults based on the Customer ID. Select from the list to choose another customer address.
  
d. The Invoice Date defaults to the current date but it can be changed to another date within an open period.
  
e. In the Purchase Order / Ref # field, input the number the customer provided when ordering the goods or services from your unit. The system will allow a duplicate PO/Ref # to be entered, but a warning sign will blink to inform that the number has been previously used.
  
f. In the Billing Department field, select from the list of Organization codes you have the authority to invoice against. The list is based on your Aurora Finance security profile.
  
g. The Currency will defaults to Canadian. If needed, select another currency from the list.
  
h. Select the Save button located either at the top right of the header or the one located on the left side of the webpage footer.
Note the following changes on the screen:

i. The Invoice # has been added
ii. The attachments icon is now enabled on the navigation tool bar.
iii. There are navigation buttons at the bottom of the screen

You can select the Additional Information icon in the navigation toolbar to add invoice specific notes or send a message to your approver if one exists.

If you do not see the Invoice #, a Print Preview icon or if you are unable to add an attachment, you know there is something wrong with the Invoice Header. Review the inputted information to see if any corrections need to be made.

**Commodity Section**

The Commodity and Accounting sections of the invoice screen now appear. Begin entering the details of your billing:

i. In Description, describe the goods/services for which you are billing (4000 character limit).

j. Enter an amount in the Quantity field – it will accept up to two decimals (0.00).

k. Enter the Price – will accept up to two decimals (0.00).

l. Select one of the following icons:

   - Save and Add: Select the icon to save the item, calculate the amount and open another item description line.
   - Save: Select if there are no more items to add. This will calculate the Amount field and allow you to proceed to the accounting section.
   - Cancel: Select if you no longer wish to have this item on your invoice.

m. Sales tax must be manually entered into the commodity section of the invoice. For each tax rate (GST, PST, HST), enter on a separate line.

   i. Description = “GST”, “PST” or “HST”.
ii. **Quantity** = 0.05 for GST, 0.08 for PST or appropriate amount for HST (depending on the province where the customer is located, the quantity could be 0.12, 0.13 or 0.15).

iii. **Price** = Amount of the line item the tax should be applied to.

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lab Supplies</td>
<td>8</td>
<td>100.00</td>
<td>800.00</td>
</tr>
<tr>
<td>GST</td>
<td>0.05</td>
<td>800.00</td>
<td>40.00</td>
</tr>
<tr>
<td>PST</td>
<td>0.08</td>
<td>800.00</td>
<td>64.00</td>
</tr>
</tbody>
</table>

For more information on taxes, select the Page Notes icon in the navigator toolbar to view more information on taxes.

**OPTION** Once a commodity line has been entered, you can utilize the Print Preview icon by the invoice number in the header section to preview your invoice.

**Accounting Section**

n. Enter the appropriate **Fund, Organization, Account** and **Program** elements that are to be credited.

The FOAP elements that display in the list are based on your Aurora Finance user profile. If you wish to bill other Fund or Organization elements, contact *Aurora Finance Customer Service* at 480-1001 Option 3 to find out how to gain access.

o. Enter the **Amount** for the FOAP or FA. If you leave the field blank, the system will automatically assign the full amount of the invoice to your accounting line.

Utilize the icons in the same way you did the commodity section.

p. When charging **taxes**, you must enter applicable tax amounts on separate lines using only Fund 110000 and the appropriate tax Accounts (see below example).

   i. For GST use account 210462
   ii. For PST use account 210551
   iii. For HST use account 210660

If your security access does not allow you to use fund code 110000, utilize the fund you used to bill the goods or services (e.g. fund 120056 for the above example).

   iv. For more information on taxes, select the Page Notes icon in the icon toolbar.

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours of FT-IR Microscopy analysis and spectra interpretation</td>
<td>3</td>
<td>100.00</td>
<td>300.00</td>
</tr>
<tr>
<td>GST</td>
<td>0.05</td>
<td>800.00</td>
<td>40.00</td>
</tr>
<tr>
<td>PST</td>
<td>0.07</td>
<td>800.00</td>
<td>56.00</td>
</tr>
</tbody>
</table>
Completing Your Invoice

q. Complete the document by either:

✓ Clicking the Save button at the bottom of the page to leave the invoice in progress and edit it at a later time.

✓ Selecting the checkbox at the bottom left-hand side of the screen that reads “This invoice is ready to be printed and posted.”

r. A warning will display if you’ve chosen to have the invoice posted…click OK.

s. The commodity and accounting sections will be grayed out and the Save button will be green. Click Save. You will be returned to the Accounts Receivable page.

If your Faculty or Unit has approvals in place for external invoicing and you do not have invoice approval authority, your invoice will be sent to the approval queue.

Once the approver has approved the invoice, it is the responsibility of the approver to print or email the invoice to the customer.

Attaching a file to an Invoice

You can attach a file to an invoice to ensure important information is kept within the system or email with the invoice to a customer. Attachments are not visible in FAST Reporting. In FAST AR they can be viewed from the invoice creation screen and on the Invoice Status report (learn more in the External Invoicing Reporting & Approvals manual).

1. Click the Attachments icon in the navigator toolbar. The dialog box will open displaying a Document Reference ID (AR + the invoice number, e.g. AREI008969).

2. Click to attach a file. The Document Reference is filled in.
3. Type any **Document Comments**

4. Click **Browse** and select a path to the document on your computer.

5. If your intent is to send the attachment with the invoice by email from FAST AR, ignore the **Make the attachment confidential box**.

6. Click **Upload File**. The document is added to the list. Only the first 30 characters of the file name displays.

7. You can select the **X** to remove the attachment.

   After the invoice has been posted, you cannot delete attachments. You can view them in the Invoice status report.

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**Editing an Invoice**

You can edit a previously created invoice that has not been printed or any invoice that has been returned to you for adjustments/corrections by an approver.

1. On the **Invoice** menu, select **Edit – By Invoice #**.

   Users who are able to approve the invoices of others will see additional edit options – **By Creator, By Date and For Approval**.

   You can also find and edit your “In Progress” Invoices” from the FAST AR Home Page by selecting the Quick Launch Tab and clicking on the Invoice Number link:
We are now able to delete Draft (In Progress) Invoices that are no longer required. Please contact General Accounting and provide the invoice number that you need to cancel.

2. In the Commodity and Accounting sections you can change any line with the edit icon , the add new icon , or delete any line with the delete icon .

3. Complete the invoice using steps 17 to 19 found in the previous *Creating a New Invoice* section (page 11).

**Printing /Sending an Invoice**

⚠️ Please review *FAST AR Browser Requirements* (pg 5) if printing for the first time.

Users have the ability to print an invoice OR distribute it electronically directly to a customer’s email address. Please inform Revenue, Capital & General Accounting if you have a customer’s email address that you would like stored in the system.

Not all users who enter invoices are able to print/email those same invoices. In order to print, a user must have the security rights to:

- Complete their own invoices without approval from someone else in their unit and/or
- Approve invoices

To be able to produce an invoice, the “This Invoice is ready to be printed and posted” must have been selected on the Invoice page. [This invoice is ready to be printed and posted.]

If you print an invoice, a PDF opens so you can view it first. If you send an invoice by email, it is sent to the address associated with the Customer ID. A PDF will open if the email option is selected for a customer where no email address is stored in the system.
To print/email invoices:

1. On the Invoice menu, select Batch Print. All balanced invoices will display.

   - To limit the amount of invoices in the list, you can type either a user ID or an Organization code in the filter boxes and click on Apply Filter.
   
   You can click a column heading once to sort ascending, click again to sort descending.

2. Do one of the following:
   
   Select the checkbox beside the invoices you want to print or email
   
   Click to select all invoices (click to clear all selected invoices)

3. Choose an Output option by clicking on one of the following:

   PDF
   Email

   When selecting the email output, a new Box is being populated, it is checked by default. In order to include attachment with your invoice sent by email, leave the box checked.

4. Click Save. (If you leave this page, when you return, the selections will be the same.)

5. Click Print Batch. Depending on your output selection (step 3), one of the following happens:

   PDF: A PDF opens in a new window. Click to print the invoice
   Email: This message opens: All invoices were sent successfully.

   If a customer does not have a valid email address, or there are problems with delivery, a PDF automatically opens.

6. There is an option to print all of your invoices (as PDF and by email) at once. Select all the invoices and the email output. The following message will appear:

   Customers without email contact information will print as a normal report.

   as well as the send attachments box checked off.

   Click on the “Print Batch” Button. Customers with email addresses stored with their ID will receive invoices and attachments by email; a PDF opens for customers without an
email address.

⚠️ Whatever output method you choose, the record will disappear from the Batch Print listing once you print or email the invoice.

ℹ️ This is the only original invoice that is created in FAST AR. Any other copies will have a “Re-Print” mark.

### Reprinting an Invoice

Once an invoice has been printed, it cannot be printed once again via the Batch Print method (see section above). To re-print the invoice, do the following:

1. Select **All Reports** from the **Reporting** menu.
2. In the report listing that will display, select **Re-print Invoices**
3. A Re-print Invoices box will display. Enter the invoice number you want to print in the **Invoice Number** field.
4. Select the **Print** button.
5. A PDF of the invoice will open. The word “Re-print” will be listed at the bottom right hand side of the invoice.

⚠️ Only a previously posted invoice can be re-printed using this method!

### Copying an Invoice

1. On the **Invoice** menu, select **Copy Invoice**.
2. Enter the invoice number you wish to copy. You can utilize the search icon 🕵️‍♂️ to query an invoice and the Preview button 💻 to verify the invoice details you are copying.
3. Click the **Copy Invoice** button that appears. A new invoice with a new invoice number will appear.

4. The **Invoice Date** will be today’s date.
5. Make any other changes and click **Save**.

**Cancelling an invoice**

It is General Accounting’s responsibility to cancel/ adjust invoices. In order to have an invoice cancelled or adjusted, contact General Accounting and provide with the invoice number and a valid reason for cancellation/ adjustment. Accounts Receivable accountant will process the necessary transaction.

**FAST AR Batches in FAST Reporting**

Once invoice is posted, the journal transaction will appear in the FOAP/FA selected in the Accounting Section of the invoice:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Orgn</th>
<th>Acct</th>
<th>Prog</th>
<th>UserID</th>
<th>Document Description</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>300236</td>
<td>333300</td>
<td>522004</td>
<td>0000</td>
<td>IMPORT</td>
<td>AR001156</td>
<td>EIO38221/ADRI 08-123Atomic Ene</td>
<td>5,000.00</td>
</tr>
<tr>
<td>300236</td>
<td>333300</td>
<td>522004</td>
<td>0000</td>
<td>IMPORT</td>
<td>AR001156</td>
<td>EIO38231/ARDI 08-123Atomic Ene</td>
<td>5,000.00</td>
</tr>
</tbody>
</table>

**External Invoicing Assistance**

If you require assistance when working with the FAST Accounts Receivable module, you have various tools and individuals to assist you:

- **Help Menu** – accessible from many of the AR screens. Select **Help – Online Documentation** to review the library of information for the application.

- **Aurora Finance Customer Service** – contact 480-1001 Option 3 or aurora_finance@umanitoba.ca for personal assistance working with the application or with questions regarding your security (access) settings.

- **General Accounting** – contact 474-8362 or accounts_receivable@umanitoba.ca with any questions relating to billing customers

- **Aurora Finance Online Help** – the Aurora Finance site contains help documents tailored for the University of Manitoba user. [http://umanitoba.ca/computing/renewal/aurora/finance/ohelp/ohelp.html](http://umanitoba.ca/computing/renewal/aurora/finance/ohelp/ohelp.html)