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## Invoice Responsibilities

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**Please action and cascade to applicable staff to ensure compliance.**

### **All Managers and Staff with Invoice Processing Responsibilities**

Please remind all relevant staff of the need to comply with established procedures and conventions. Procedural guidance notes are set out below in relation to and in support of the invoice payment and the approval process.

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#### **1. Accepting an invoice**

All invoices Must include:

- Unique identification number (invoice number)
- The company/individuals name, address
- Addressed to 'Carmarthenshire County Council' including address
- Clear description of what is being charged for
- Date the goods or services were received
- Date of the invoice
- The Net amount(s) being charged
- VAT amount if applicable and VAT number
- Total amount owed (including VAT)

Amendable invoices must not be accepted.

## **2. Preparation & Processing of Invoices for Payment**

All invoices received **MUST** be date stamped at the point of receipt in the Authority.

Where invoices are received electronically e.g. via pdf, they may be electronically stamped with the date received using Adobe. Preferably the stamps should be in a contrasting colour. Using Adobe provides an easily identified, verified audit trailed stamp which does not amend the original invoice. It is **not** acceptable to use a method that would in any way amend the original invoice as received e.g. printing and rescanning, adding additional information where it is not obvious that it has been added.

All goods or services **MUST** have been received before sending invoice for payment.

Purchase order invoices must be goods receipted on Agresso, and GR number to be documented on invoice **BEFORE** passing the invoice for payment.

### **Users who Input their own invoices (Back Office users)**

Invoices must clearly show the date received and account code, cost centre, jobcode (if applicable) and service code

Invoices need to be stamped with the Certification Grid Stamp and signed in all boxes, batched, and attached to a fully completed and totalled Batch Header (Total must include vat).

In accordance with the Authority's Financial Procedure Rules, A minimum of two officers are required to complete the certification, one of which must be an authorised signatory to complete the Final Approval. Final Approver must sign their name in full or attach authorising email.

Users **MUST** ensure that they select the AP transaction type. During period changes the transaction types displayed may change positions within the list users need to take extra care to ensure that the AP transaction type is always selected.

**All the fields on the Batch Header **MUST** be completed**



As soon as all the invoices have been entered on the system, the user must print off the User Batch Print. Search using first and last transaction number from the batch

Financials > Accounts Payable > Enquiries > User batch print

The Batch Print must be attached to the Batch and passed on to the line manager for checking, signing, and dating or print and attach authorising email.

The attachment below provides guidance on how to process invoices which have been in dispute.



### **Invoices Over £20,000.00**

Whenever an invoice is entered on the system which is more than £20,000.00 in value, a copy **MUST** be emailed immediately to FI Creditor Payments. The copy must show the certification grid stamp or attach the authorising email.

Prior to the start of the payment runs a check will be undertaken to establish if there are any invoices in excess of £20k to be paid. If copy invoices have not been received, the transactions will be parked and will therefore not be paid. It is imperative therefore that copies are sent through promptly.

### **Cheque payments**

If the payments you are processing are defaulting to DH (Cheque Payment) please contact the payee and ask them to provide you with their bank account details and e-mail address along with supporting evidence. This should be forwarded to the FI Creditor Payments for implementation.

Every effort must be made to encourage suppliers to be paid by BACS

### **P2P Users**

P2P Users do not need to attach authorisation.

In the case of purchase invoices the payment was authorised when the order was raised and coding will already be on the system. It is essential that the order number is included on the invoice.

For non-order invoices the coding should be written on the invoice and these will be work flowed online to authorised signatories for authorisation.

Where invoices are received electronically e.g. via pdf, they may be electronically stamped with the date received using Adobe. Preferably the stamps should be in a contrasting colour. Using Adobe provides an easily identified, verified audit trailed stamp which does not amend the original invoice. It is **not** acceptable to use a method that would in any way amend the original invoice as received e.g. printing and rescanning, adding additional information where it is not obvious that it has been added.



Send the batched invoices to the Central creditors section for scanning onto the FMS & processing.



### **3. Duplicate Payments**

It is your responsibility to check whether a payment has been made; you **MUST NOT** simply assume the check will be done centrally.

If Back Office users see the message '*THE INVOICE NUMBER IS ALREADY IN USE*' displayed onscreen, it is imperative to check that the transaction has not been paid previously, rather than simply forcing the invoice through by changing the invoice reference or adding a date!

The system automatically changes lower case to upper case, **preceding zeros must not be entered** & only alpha/numeric characters are permitted. If a check on an invoice reveals that it is not a duplicate, it is advisable to add a date (full month & full year) on to the invoice reference.

For the duplicate payment check to be effective, it is important that we have a consistent approach to the way the invoice references are entered and that they are entered correctly. Please refer to the attachment below for detailed instructions on each entry field



### **4. Credit Notes**

Credit notes **should not** be applied as a matter of course to correct processing errors; they should **only** be applied to suppliers that we are likely to pay again in the **near future**.

In order to prevent long standing credits from accumulating on the FMS system, a monthly report is created detailing all credit notes entered on the system. Should there be a credit amount for a supplier that has not be realised in 8 weeks, that transaction will be reversed and you will need to seek recovery of the amount e.g. via a debtors invoice.

When the credit is reversed, an e-mail advice will be sent to you and you should make every effort to re-claim the credit amount as the reversal will have an negative impact on your budget.

## **5. Creation/Amendment of Suppliers**

New suppliers are created through U4 ERP web (except for schools who will use the supplier record form below). This form **MUST** be accompanied by supporting documentation such as headed paper, copy invoice, bank statement.



For an amendment to an existing supplier ID, a supplier record form must be completed and accompanied by all supporting evidence. Where a change in bank details is requested, it must be followed up and verified by an independent means. This could be with a phone call or email, the details of which must be confirmed. Phone numbers/email addresses can be obtained online from websites or from our own records. If in any doubt consult your manager.

### **THE FORM MUST BE SIGNED & DATED OR EMAILED FROM AN APPROVED AUTHORISED SIGNATORY**

## **6. Direct Debits**

Payment by Direct Debit is exceptional and only to be used as a last resort. In the event of a DD payment having to be made then the Direct Debit Mandate **MUST** be forwarded to the Payments section in County Hall together with supporting memo signed by an approved Authorising Signatory outlining the reason for the request. If the request to set up a DD is approved, the Mandate will be completed and **MUST** be signed by one of the Authorised Bank Signatories in Corporate Services Dept.

## **7. Non-compliance points**

Please find instances of non-compliance with policy summarised below:

- Invoices not paid promptly (within 30 days)
- Instances where there was no 'date received' stamped onto the invoice
- Invoices accepted in amendable spreadsheet/document format
- Certification Grid Stamp not completed correctly
- Batch Headers not fully completed
- Invoice values amended without supporting evidence
- Inappropriate use of credit notes
- Duplicate invoice payments

### **For further advice and guidance, please contact:**

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