

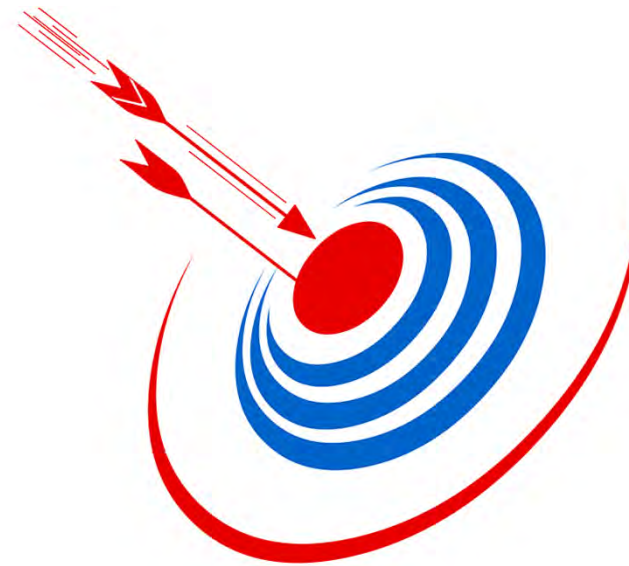
# Logistics Part 2

## Goods Receipts & Invoice Receipts

*Course 7 in Standard Curriculum*

# Learning Objectives

- Understand the business process for Goods Receipts and reversals
- Process Goods Receipts
- Reverse Goods Receipts
- Understand the business process for PO Invoice Receipts
- Cancel Invoices and process PO credit memos
- Release PO reserves



[Link to Course Material](#)

# Housekeeping – All FIS Courses and Workshops

## Expectations for FIS Courses:

- Must be able to complete all assigned exercises in the SAP-QT1[HANA] training application.
  - If you are having technical issues, and cannot complete the exercises in class, you have 1 week to complete them. If extensions are necessary, please contact me.
  - The instructor will review all exercises.
- Must attend most of the class. If you miss 20 minutes or more of class you will not be eligible for course credit.



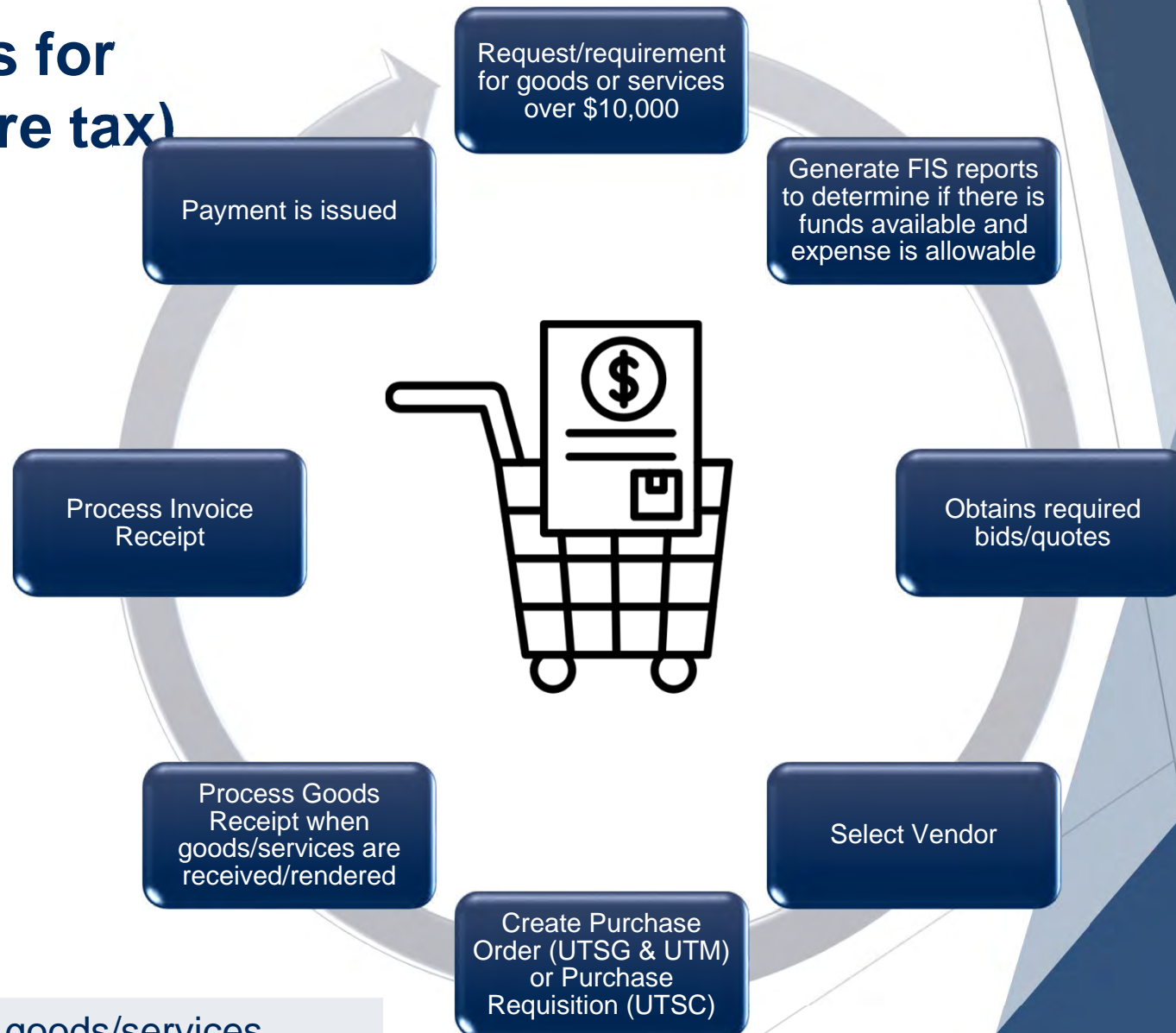
All FIS courses are recorded and will receive a copy of the recording for their record.

## Review: Business Process for Orders over \$10,000 (before tax)

As a result of the decentralized procurement structure at the University, the **business process for high dollar value purchases** different between campuses.

St. George and UTM follow the **PO WORKFLOW** business process, and require compliance review for orders over \$25,000.

**UTSC creates Purchase Requests**



[Learn more about how to purchase goods/services.](#)

# What is a Goods Receipt?



A formal acknowledgement in AMS that the department has received goods or services were rendered that were procured using a Purchase Order.

## Prerequisites:

- The receipt must be PO related
- The goods/services delivered must match what was agreed upon in the contract
- The goods must be in the desired/usable condition and services in acceptable quality.



Visit the [Procurement Services](#) website to learn more.

## What is the Financial Impact of a Goods Receipt?

Processing a Goods Receipt in AMS indicates that the University has accepted the goods/services and can proceed with payment once the invoice is received.

### Implications:

- Records a liability against in Financial Accounting (i.e. G/L Account)
- In most circumstances, once an GR is processed the **ACTUAL EXPENSE** is recorded against the Funds Center or FC/Fund (i.e. reserve released and expense recorded in reports) and Cost Center/Internal Order
- It is **required for the payment** to be processed.



Visit the [Procurement Services](#) website to learn more.

## When does a Goods Receipt NOT Result in an Actual Expense?

In some circumstances, a Goods Receipt does NOT trigger an actual financial expense, such as:

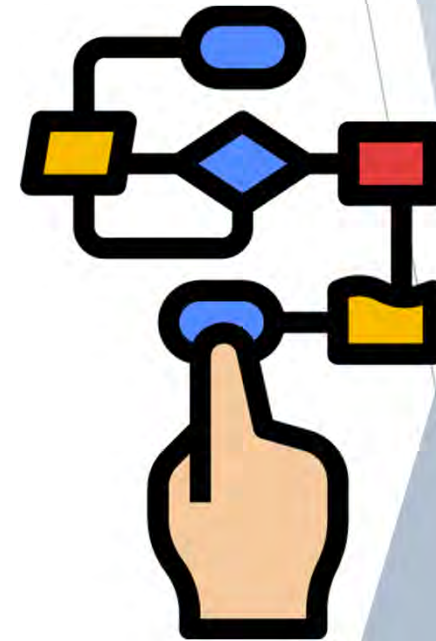
- When multiple account assignments are used
- When additional/unplanned expenses are paid at the time of invoice and not included in the PO
- In some uSOURCE POs under a certain threshold



[Read this article to learn more.](#)

## What is Business Process for Goods Receipts?

1. Recipient **confirms that the goods received/services** rendered are related to a Purchase Order (PO).
2. **Verify the packing slip** information provided by vendor. If no packing slip is included, create your own receiving/material report using this framework.
3. Verify that the goods/services are rendered in acceptable condition.
4. Process the Goods Receipt in AMS.
5. Record the **two Goods Receipt document numbers in on the packing slip/receiving report.** Watch this simulation to learn how to locate them.
6. File the packing slip/receiving report in accordance with the **UofT File Plan.**



[Visit the GTFM Policy page to learn more.](#)



# Processing Goods Receipts



## Goods Receipts and the Purchase Order

One of the benefits of processing a PO in AMS is that **tracks every stages of the purchasing process** from the contract to payment.

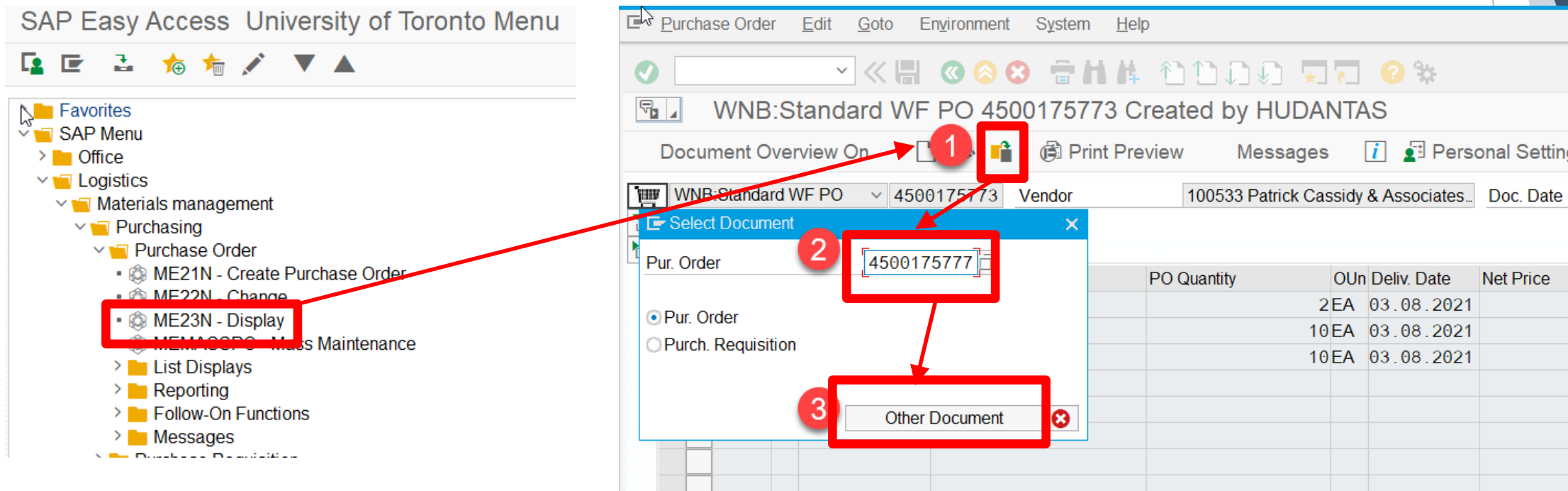
With goods receipts, the **PO will show a history** of all partial deliveries for each item ordered.



[Read this article to learn how to locate what is outstanding in a PO.](#)

# Where can I locate the History for a PO Line?

Go to the the ME23N – Purchase Order Display screen, then display the desired PO.



The image shows the SAP Easy Access interface for the University of Toronto. On the left, the 'SAP Easy Access University of Toronto Menu' is displayed, with the 'ME23N - Display' option highlighted in a red box. A red arrow points from this menu item to the 'Purchase Order' screen on the right. The 'Purchase Order' screen shows 'WNB:Standard WF PO 4500175773 Created by HUDANTAS'. A 'Select Document' dialog box is open, showing the PO number '4500175773' in a red box (labeled '2'). A red box labeled '1' highlights the 'History' icon in the top toolbar. A red box labeled '3' highlights the 'Other Document' button at the bottom of the dialog box. The background shows a table with columns for PO Quantity, OUn Deliv. Date, and Net Price.

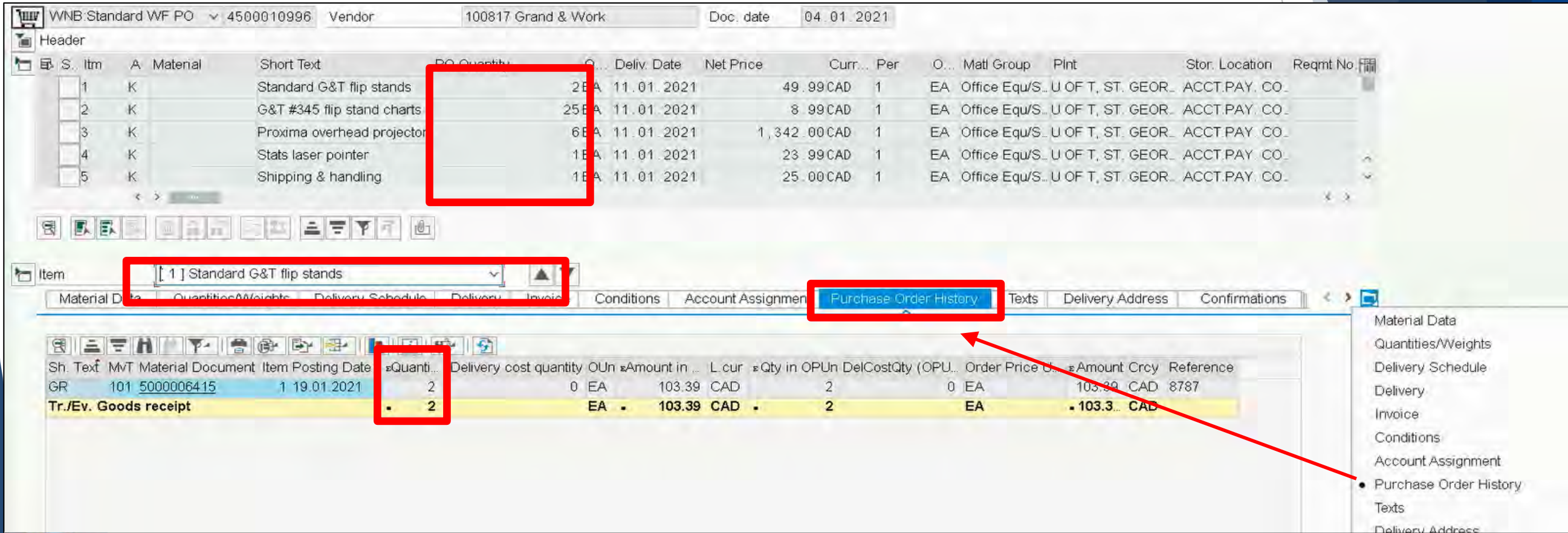
PO Quantity	OUn Deliv. Date	Net Price
2EA	03.08.2021	
10EA	03.08.2021	
10EA	03.08.2021	

Watch this simulation to learn more about the [PO History Tab](#).



# Understanding the PO History Tab

The PO History tab is a vital section to help you understand the status of the PO line item. It outlines partial deliveries, and payments for each line so you can determine what is outstanding and requires payment. It also helps determine what is still reserved



The screenshot shows the SAP interface for a Purchase Order (PO) with the following details:

- Header: WNB:Standard WF PO 4500010996, Vendor: 100817 Grand & Work, Doc. date: 04.01.2021
- Table of PO Line Items:

S. Itm	A. Material	Short Text	PO Quantity	Deliv. Date	Net Price	Curr...	Per	O...	Matl Group	Plnt	Stor. Location	Reqmt No.
1	K	Standard G&T flip stands	2	11.01.2021	49.99 CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
2	K	G&T #345 flip stand charts	25	11.01.2021	8.99 CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
3	K	Proxima overhead projector	6	11.01.2021	1,342.00 CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
4	K	Stats laser pointer	1	11.01.2021	23.99 CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	
5	K	Shipping & handling	1	11.01.2021	25.00 CAD		1	EA	Office Equ/S...	U OF T, ST. GEOR...	ACCT.PAY. CO...	

The 'Purchase Order History' sub-table for item 1 shows:

Sh. Text	MVT	Material Document	Item Posting Date	Quantity	Delivery cost quantity	OU n	Amount in ...	L. cur	Qty in OPU n	DelCostQty (OPU...	Order Price U...	Amount Crpy	Reference
GR	101	5000006415	19.01.2021	2	0	EA	103.39 CAD		2	0	EA	103.39 CAD	8787
Tr./Ev.		Goods receipt		2		EA	103.39 CAD		2		EA	103.39 CAD	



Watch this simulation to learn more about the **PO History Tab**.

# Processing the Goods Receipt in AMS

Use the **MIGO – Goods Receipt Create** screen, process the Goods Receipt and Reversal if required (i.e. returned damaged goods). The items that appear reflect the status of the PO.

Goods Receipt Purchase Order 4500175773 - Rames Paramsothy

Show Overview | Hold | Check | Post | Help

Goods Receipt | Purchase Order |  | Goods receipt | 101

General | Vendor

Document Date: 15.02.2022 | Posting Date: 15.02.2022

Delivery Note:  | Vendor: Patrick Cassidy & Associates I | HeaderText:

Line	Stat...	Mat. Short Text	OK	Qty in UnE	EUn SLoc	Order	Bus...	M...	Plnt	Vendor
1		standing desk	<input type="checkbox"/>	2	EA		1000	101	U OF T, ST. G...	Patrick Cassidy & Associates I
2		task chairs	<input type="checkbox"/>	5	EA		1000	101	U OF T, ST. G...	Patrick Cassidy & Associates I
3		lounge chairs	<input type="checkbox"/>	10	EA		1000	101	U OF T, ST. G...	Patrick Cassidy & Associates I

The **Movement Type** code tells the system whether you are processing a receipt or reversal.



- Codes:
- **101** = Goods Receipt
  - **122** = Reversal



Refer to the **MIGO – Create Goods Receipt reference guide** for more information.

# Exercise 1 – Process a Partial Goods Receipt

**Instructions (approx. 5 - 10 minutes)**

Process a partial Goods Receipt in QT1 for the Global Medical Products PO.



[Reference Guide](#)



# Exercise 2 – Process a Partial Goods Receipt

## Instructions (approx. 5 - 10 minutes)

Process a partial Goods Receipt for Grand & Toy PO.



[Reference Guide](#)

# Exercise 3 – Process a Partial Goods Receipt

## Instructions (approx. 5 - 10 minutes)

Process a partial Goods Receipt for the remaining items on the Grand & Toy PO.



[Reference Guide](#)



# Exercise 4 – Reverse a Goods Receipt

**Instructions (approx. 5 - 10 minutes)**

Reverse the partial Goods Receipt from exercise 1 related to the Global Medical Products PO.



[Reference Guide](#)



# Exercise 5 – Process a Partial Goods Receipt

## Instructions (approx. 5 - 10 minutes)

Process a partial Goods Receipt for the replacement delivery of the chemicals ordered and returned in the Global Medical Products PO.



[Reference Guide](#)



**1 HOUR LUNCH BREAK**

# Invoices Receipts and the Purchase Order



An invoice is a formal request for payment by the vendor for goods and/or services received.

Departments can proceed to issue a payment to the vendor when the **following conditions are met:**

- The **Goods Receipt has been processed** (i.e. goods/services rendered, and department is satisfied with what was received)
- the **invoice is accurate** with respect to items, quantities received and prices
- written or electronic **approval** has been obtained

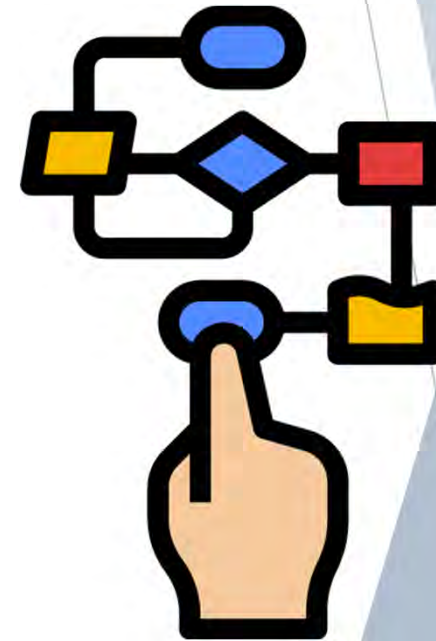


[Learn more about the GTFM Policy regarding PO invoices.](#)

# What is Business Process for Invoice Receipts?

The department:

1. Receives the invoice from the vendor.
2. Determines whether it is related to a PO and locates the PO number.
3. Verifies that the Goods Receipt has been processed.
4. Processes the Invoice Receipt in AMS.
5. Record the **two Invoice Receipt document numbers in on the invoice**. Watch this simulation to learn how to locate them.
6. Files the invoice in accordance with the **UofT File Plan**.



[Visit the GTFM Policy page to learn more.](#)

# Processing Invoice Receipts



# Processing a PO Invoice Receipt

Processing a PO Invoice Receipt has some similarities with Accounts Payable invoices, but with the following differences:

- **References the PO** to determine what items and quantities are eligible for payment
- **User selects/deselects** lines to tell the system what is being paid

Enter Incoming Invoice: Company Code UOFT

Show PO structure Show worklist Hold Simulate Messages Help

Transaction **Invoice** Balance 0.00 CAD

Vendor 0000111898  
GLOBAL MEDICAL PRODUCTS INC  
5230 SOUTH SERVICE ROAD

**Basic Data** Payment Details Tax Contacts Note

Invoice date 11.02.2022 Reference 225721  
Posting Date 15.02.2022  
Amount 12,791.60 CAD  Calculate Tax  
Tax Amount 1,471.60  
Text 225721, Global Medical, Isotopes  
Paymt terms 35 Days net  
Baseline Date 11.02.2022

**PO Reference** G/LAccount

Purchase Order/Scheduling Agreement 4500176122

Layout **All information**

Item	Amount	Quantity	Or...	Purchase or...	Item	PO Text	Tax Code
1			EA	<input type="checkbox"/> 4500176122	1	Isotope 35S	E1 (HST)
2	11,320.00		2EA	<input type="checkbox"/> 4500176122	1	Isotope 35S	E1 (HST)

Use the appropriate **Layout** to:

- Select/deselect lines – use **All Information**
- Enter Line Item Text – use **MIRO CREATE LIV DETAILS**



# Exercise 6 – Process Invoice Receipt

## Instructions (approx. 10 -15 minutes)

Process a partial Invoice Receipt in QT1 for the Global Medical Products PO.



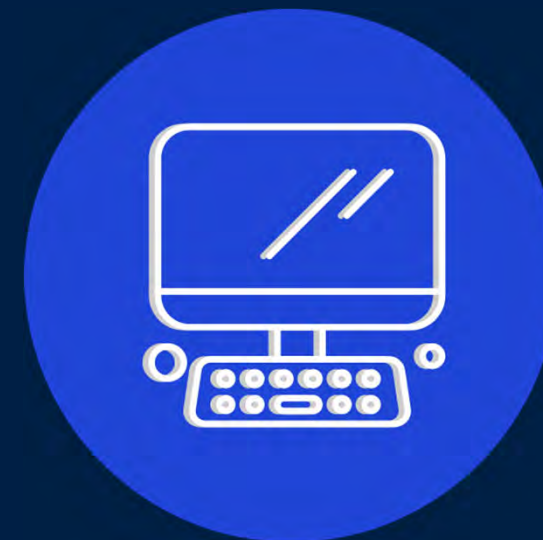
[Reference Guide](#)



# Exercise 7 – Process a Partial Invoice Receipt

## Instructions (approx. 10 – 15 minutes)

Process a partial Invoice Receipt for Grand & Toy PO.



[Reference Guide](#)

# Exercise 8 – Process a Partial Invoice Receipt

**Instructions (approx. 10 – 15 minutes)**

Process a partial Invoice Receipt for Grand & Toy PO.



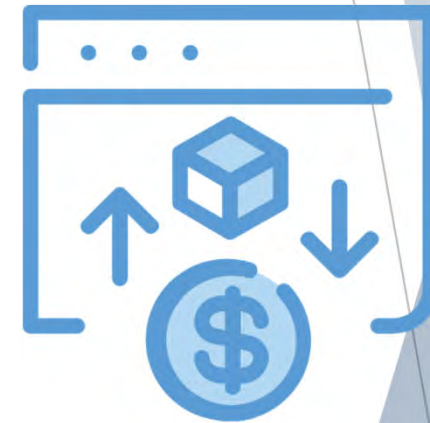
[Reference Guide](#)



# Payment Status and Method of Correction

Let's examine the process of correcting PO Invoices based on the **status of the cheque, draft or EFT:**

1. Payment **not issued**
2. Payment **issued by not cashed**
3. Payment **cached/transmitted**

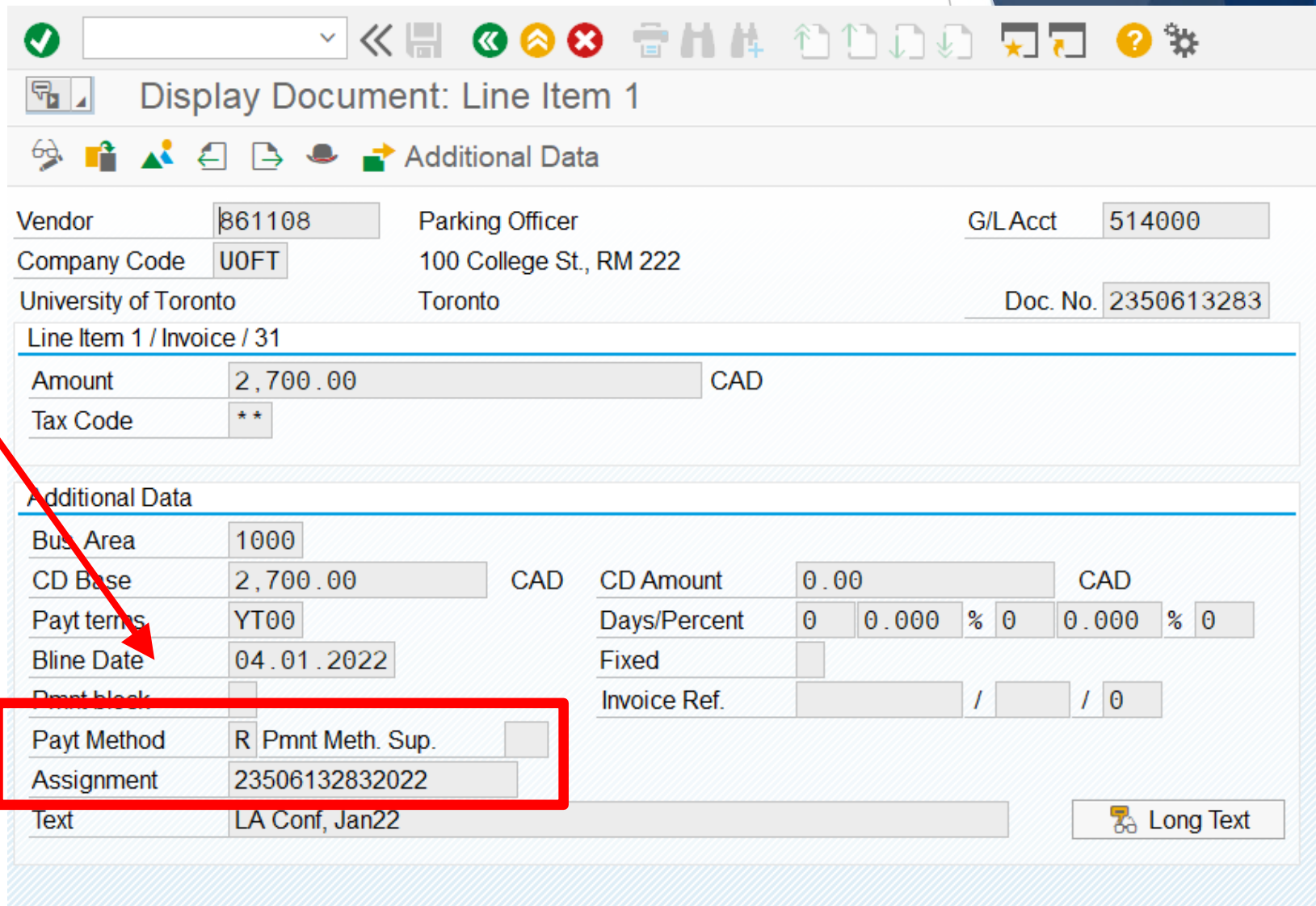


# Scenario 1 – Payment has not been Issued

If the Clearing field is NOT populated between the Payment Method and Assignment field, it indicates the cheque, draft or EFT has not left UofT's accounts.

You can still:

- Cancel the Invoices
- Change certain fields
- Add lines to the PO



Display Document: Line Item 1

Additional Data

Vendor: 861108 Parking Officer G/LAcct: 514000  
 Company Code: UOFT 100 College St., RM 222  
 University of Toronto Toronto Doc. No.: 2350613283

Line Item 1 / Invoice / 31

Amount: 2,700.00 CAD  
 Tax Code: \*\*

Additional Data

Bus Area	1000	CD Base	2,700.00 CAD	CD Amount	0.00 CAD
Payt terms	YT00	Days/Percent	0 0.000 % 0	0.000 % 0	
Bline Date	04.01.2022	Fixed			
Payt Method	R Pmnt Meth. Sup.	Invoice Ref.	/ / 0		
Assignment	23506132832022				
Text	LA Conf, Jan22				

Long Text

## Scenario 2– Payment has been Issued but not Cashed

If the **Clearing** field is populated, it indicates that the cheque/draft has been sent.

However, if there is no **Encashment Date**, it means that the payment has not been cashed.

What can you do?

- Request a stop payment
- process a Journal Entry
- Add lines to the PO

Proceed to Environment >> Check Information to learn more

Display Document: Line Item 1

Additional Data

Vendor  Ricoh Canada Inc. G/LAcct   
 Company Code  P.O. Box 1600 Streetsville RPO  
 University of Toronto Mississauga Doc. No.

Line Item 1 / Invoice / 31

Amount  CAD  
 Tax Code

Additional Data

Bus. Area	<input type="text" value="1000"/>				
CD Base	<input type="text" value="49.84"/>	CAD	CD Amount	<input type="text" value="0.00"/>	CAD
Payt terms	<input type="text" value="YT05"/>		Days/Percent	<input type="text" value="35 0.000 % 0 0.000 % 0"/>	
Bline Date	<input type="text" value="31.05.2021"/>		Fixed	<input type="text" value=""/>	
Print block	<input type="checkbox"/>		Invoice Ref.	<input type="text" value=""/> / <input type="text" value=""/> / <input type="text" value="0"/>	
Pay Method	<input type="checkbox"/>	Prmt Meth. Sup	<input type="checkbox"/>		
Clearing	<input type="text" value="09.06.2021 / 2003803072"/>				
Assignment	<input type="text" value="19049231452022"/>				
Text	<input type="text" value="SCO93272406-Ricoh-Copy Usage May 2021"/>			<input type="button" value="Long Text"/>	



Watch this simulation to learn how to locate the **Clearing** field.

# Scenario 3 – Payment has Issued and Cashed

If the **Clearing** and the **Check Encashment** fields are populated, the recipient has cashed the cheque/draft.

The **Check Number** should be noted if it has not been cashed and needs to be stopped.

**NOTE:** The **Amount Paid** is the total for the entire University against that vendor in the cheque run.

Display Check Information

Check recipient   
  Check issuer...   
  Accompanying docs   
  Payment document

Paying Company Code:    
 Payment Doc.No.:

---

Bank details

House bank	<input type="text" value="CIPP1"/>	Bank Key	<input type="text" value="010"/>
Account ID	<input type="text" value="00002"/>	Bank Account	<input type="text" value="8194815"/>
Bank Name	<input type="text" value="Canadian Imperial Bank of Commerce"/>		
City	<input type="text" value="Toronto, Ontario"/>		

---

Check information

Check number	<input type="text" value="9563332"/>	Currency	<input type="text" value="CAD"/>
Payment Date	<input type="text" value="09.06.2021"/>	Amount Paid	<input type="text" value="36,479.27"/>
Check encashment	<input type="text" value="16.06.2021"/>	Cash discount amount	<input type="text" value="0.00"/>

---

Check recipient

Name	<input type="text" value="Ricoh Canada Inc."/>
City	<input type="text" value="Mississauga"/>
Payee's country	<input type="text" value="CA"/>
Regional code	<input type="text" value="ON"/>



[Learn how to request a stop payment on a cheque/draft.](#)

# How to Place a Stop Payment on a Cheque

Complete the “Cheque/Draft Re-issue or Cancel Request Form” and send to **Accounts Payable in Financial Services** at [ap.fsd@utoronto.ca](mailto:ap.fsd@utoronto.ca) to request stop payment.

Indicate:

- the cheque number
- the document number
- the reason for the stop payment and
- Whether or not cheque will be reissued

If **NO changes required to the cheque** it can be reissued by Accounts Payable in the next cheque run (e.g., the original cheque was lost in the mail).

If the cheque will either be ‘**Not Re-issued**’ or ‘**Changes Required – Re-issued**’ (e.g., updates to **Address** or **Pmt Method**), Accounts Payable will notify the department when the original cheque has been cancelled.

Then the department will have to:

1. For ‘**Not Re-issued**’ cheques:
  - A/P Invoices: **Reverse the document**
  - Logistics Invoice: **Cancel Invoice Receipt**
2. For ‘**Changes Required – Re-issued**’ – perform a Document Change, populate the **Address** and **Pmt Method** fields then remove **Payment Block**



[Read this article to learn more.](#)

# Exercise 9 – Process a Credit Memo

## Instructions (approx. 10 - 15 minutes)

Process a Credit Memo for the damaged laser pointer ordered from Grand & Toy

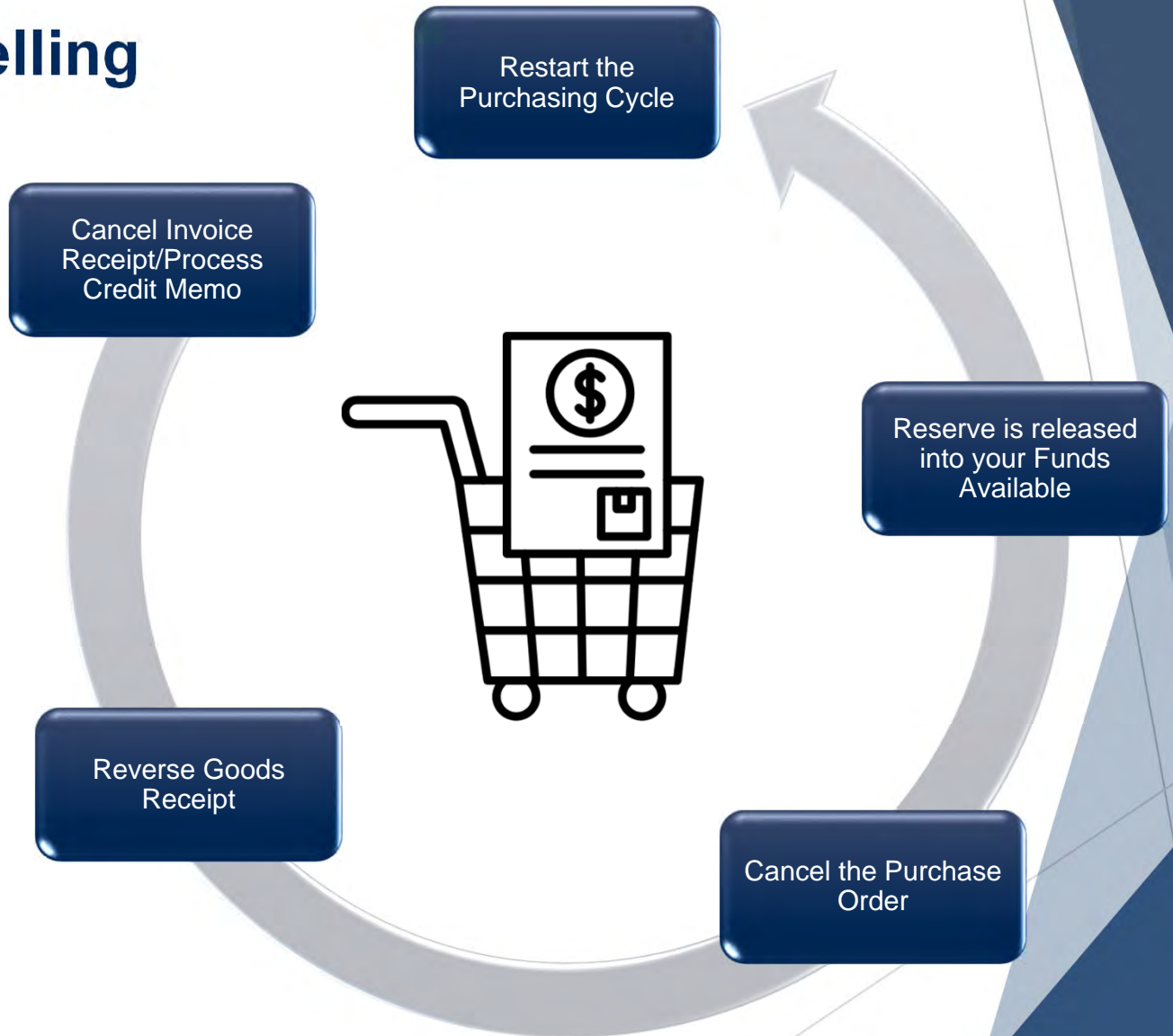


[Reference Guide](#)



# Business Process for Cancelling a Purchase Order

When cancelling a Purchase Order, you are essentially going backwards in the Purchasing Cycle in order to release the remaining reserve in the PO.



[Learn more about how to cancel a Purchase Order](#)

# Exercise 10 – Cancel a PO

## Instructions (approx. 20 - 25 minutes)

Go backwards in the purchasing cycle by (1) **cancelling/reverse the invoice**, (2) reverse the Goods Receipts, (2) **Release the PO reserve** for both lines.



[Course Material](#)

# Exercise 11 – Display a PO and Answer Questions

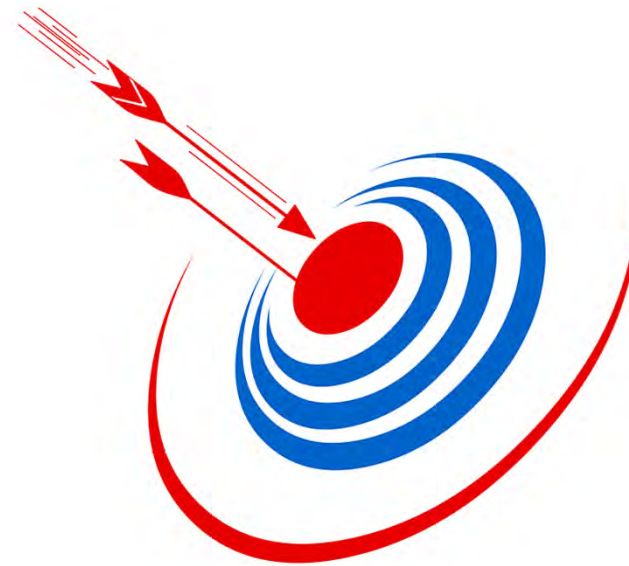
**Instructions** (approx. 5 - 10 minutes)

Display PO **4500175773** and answer the 7 questions.



# Learning Objectives

- Understand the business process for Goods Receipts and reversals
- Process Goods Receipts
- Reverse Goods Receipts
- Understand the business process for PO Invoice Receipts
- Cancel Invoices and process PO credit memos
- Release PO reserves



[Link to Course Material](#)

## Contact Information & Additional Resources



- **FAST General Mailbox** – [fast.help@utoronto.ca](mailto:fast.help@utoronto.ca)
- [Faculty FAST Team Representatives List](#)

- [GTFM Policy – Purchasing & Payments to Vendors](#)
- [Knowledge Centre](#)
- [Documentation & Support](#)



We are always looking for ways to improve.  
[Click here](#) and take a moment to complete our course evaluation.