A presentation by

Queen’s University Financial Services

Alternative formats for this presentation can be found on the Financial Services website.

Website: Financial Services Training page

Email: finance.training@queensu.ca

Phone: 613.533.2050

Queen's University

Financial Services

Accounts Receivable

Preparing and Processing Queen’s Invoices

Accounts Receivable (A/R) Overview

Who: Invoices should be prepared and issued by the business unit/department that is providing the goods/services

When: An invoice should be prepared and issued when goods have been delivered or when services have been provided

What: Invoices should only be issued to **external customers**

The Queen's A/R Process

The A/R Process includes the following steps:

1. **Department** prepares and issues the invoice, and processes the related journal entry (as outlined in this tutorial)

2. **Financial Services** receives payments and applies them to outstanding invoices

3. **Department** can track outstanding invoices using the Open Item Report in PeopleSoft Finance (more on how to access this role at the end of this tutorial)

4. **Department** is responsible for collecting outstanding invoices from customers

The Queen's Invoice Template

- **The** Queen's Invoice Template is a legal business document
- **Originator** sends duplicate copies to customer (if mailing)

  1) Customer copy (the original)

  2) Remittance copy
- **Originator** retains a departmental copy for future reference
- **Financial Services** does not require a copy of the invoice
- **Customer** sends remittance copy with payment to Financial Services

The Queen's Invoice Template (Cont'd)

INVOICE

University Department:	
Department Contact Name:	
Contact Email:	
Contact Phone #:	

Date:
Invoice Number (12-digits)***:*** **XXXXX-XX-XXXXX**
Reference Number:
Terms: Due Upon Receipt
Currency: Canadian Dollars (CAD)

Bill To:
Company Name
Contact Name
Street Address
City, Province, PC
Phone
Email

DESCRIPTION	Qty	Unit Price	AMOUNT

SUBTOTAL	$ -
TAX RATE	0.00%
HST	-
OTHER	-
TOTAL	$ -

Please make cheque payable to Queen's University and remit with a copy of this invoice to:

Queen's University
Financial Services
207 Stuart Street
Kingston ON K7L 3N6
613-533-2050
accounts.receivable@queensu.ca

HST #: 10786 8705 RT0001

THANK YOU FOR YOUR BUSINESS!

To access

Queen's Invoice Template

visit

Financial Services Forms

The Standard (12-digit) Invoice Number

To ensure all invoices can be easily tracked back to the originating department, a standard invoice number format is used when billing external customers.

- **The Standard Invoice Number has 12 digits (with dashes):**
  - **First 5 digits** = Department ID
  - **Next 2 digits** = Originator's Initials (invoice preparer)
  - **Last 5 digits** = Next sequential invoice # assigned by originator

Example: When **J**ohn **S**mith from Event Services, Department **18101** issues his **1**st invoice, the number would be **18101-JS-00001**

Other Invoice Fields to be Completed

- **Date** – date the invoice is prepared
- **Reference Number** – Purchase Order # or Quote # (if applicable)
- **Terms** – when payments are due (default set as "Due Upon Receipt")
- **Currency** – currency in which payment is due (default set as CDN)
- **Tax Rate** – tax rate applicable to the item(s) sold

The Description Section

Include sufficient detail so that:

- Customer can easily identify the purpose
- Customer receives the information/details they require
- Items/services agree with customer Purchase Order
- Charges reference selling department’s final Quote (if applicable)
- Quantity (Qty) and Unit Price supports calculated Amount

Preparing an Invoice

Example:

Queen’s University Event Services

rents conference space to the

Downtown Kingston BIA

Sample Invoice

INVOICE

University Department:	Event Services
Department Contact Name:	Suzanne Adams
Contact Email:	adamss@queensu.ca
Contact Phone #:	613-555-1212

Bill To:
Downtown Kingston BIA
Kyle Wood
123 Main St.
Kingson, ON, K7M 1E3
613-555-1234
kwood@dkbia.com

Date:	20-May-14
Invoice Number** (12-digits)**:	18101-SA-00001
Reference Number:	PO # 12345-ABC
Terms:	Due Upon Receipt
Currency:	Canadian Dollars (CAD)

Sample Invoice (Cont'd)

DESCRIPTION	Qty	Unit Price	AMOUNT
Rental of Conference Space for June 11-13, 2014	3	$ 388.00	$ 1,164.00
as per agreement signed on May 3, 2014			

Please make cheque payable to Queen's University and remit with a copy of this invoice to:

SUBTOTAL	$ 1,164.00
TAX RATE	13.00%
HST	151.32
OTHER	-
TOTAL	**$ 1,315.32**

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Financial Services
207 Stuart Street
Kingston ON K7L 3N6
613-533-2050
accounts.receivable@queensu.ca

HST #: 10786 8705 RT0001

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Recording the Journal Entry to Support Invoice

The Journal entry to support the **invoice** should be recorded in the same month the invoice is issued.

The Journal entry to support **sample invoice to Downtown Kingston BIA** would look like this:

Fund	Dept	Account	Program	Class	Project	Fund Affil	Amount	Open Item Key	Journal Line Description
10000	18101	120119					1,315.32	18101-SA-00001	D-Kgn BIA Space Jun 11-13
10000	18101	450008		4419			-1,164.00		D-Kgn BIA Space Jun 11-13
10000	18101	210080					-151.32		D-Kgn BIA Space Jun 11-13

Line 1 **Debit Account:** **120119** (A/R – External Sales) with **Total Invoice Amount**

Open Item Key: Enter **Standard Invoice Number** (including dashes) on this line only

Journal Description: Enter **Customer Name** followed by **Description of Sale** on every line

Project: Enter **Project ID** (if research related)

Line 2 **Credit Account:** **4XXXXX** (appropriate Revenue Account) with **Subtotal** (pre-tax) **Amount**

Line 3 **Credit Account:** **210XXX** (appropriate HST/GST/PST Account) with **Tax Amount**

(Account **210080** is used when **HST** is charged)

Credit Notes

- Issue when reducing (or crediting) an amount billed on previous invoice
- Use the Queen's Credit Note Template
- Do not use original invoice number for credit note
- Amount on invoice is **negative**
- Invoice Description should reflect "Credit Note for…", description of good(s) and/or service(s) and original invoice number

Example:

Credit Note for June 11th Space Rental billed on invoice 18101-SA-00001

The Queen’s Credit Note Template

CREDIT NOTE

University Department:	
Department Contact Name:	
Contact Email:	
Contact Phone #:	

Credit To:
Company Name
Contact Name
Street Address
City, Province, PC
Phone
Email

Date:
Credit Note Number (12-digits)***:*** XXXXX-XX-XXXXX
Original Invoice Number:
Reference Number:
Currency: Canadian Dollars (CAD)

DESCRIPTION	Qty	Unit Price	AMOUNT

SUBTOTAL	$ -
TAX RATE	0.00%
HST	-
OTHER	-
TOTAL	$ -

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HST #: 10786 8705 RT0001

THANK YOU FOR YOUR BUSINESS!

To access

Queen’s Credit Note Template

visit

Financial Services Forms

Recording the Journal Entry to Support Credit Note

Journal entry to support **credit note** should be recorded in the same month the credit note is issued.

The Journal entry to support **sample credit note to Downtown Kingston BIA** would look like this:

Fund	Dept	Account	Program	Class	Project	Fund Affil	Amount	Open Item Key	Journal Line Description
10000	18101	120119					-438.44	18101-SA-00003	D-Kgn BIA Space Jun 11
10000	18101	450008		4419			388.00		D-Kgn BIA Space Jun 11
10000	18101	210080					50.44		D-Kgn BIA Space Jun 11

Line 1 **Credit Account:** **120119** (A/R – External Sales) with **Total Credit Note Amount**

Open Item Key: Enter **Standard Credit Note Number** (including dashes) on this line only

Journal Description: Enter **Customer Name** followed by **Description of Credit** on every line

Project: Enter **Project ID** (if research related)

Line 2 **Debit Account:** **4XXXXX** (appropriate Revenue Account) with **Subtotal** (pre-tax) **Amount**

Line 3 **Debit Account:** **210XXX** (appropriate HST/GST/PST Account) with **Tax Amount**

(Account **210080** is used when **HST** is charged)

Financial Systems Security Access Request

This form must be completed before it is printed and authorized by your Department/Faculty Unit Financial Contact.

Effective Date (YYYY/MM/DD) ____________________

Purpose – Select One

- ◯ Create New User
- ◯ Update Existing User
- ◯ Create New User as Copy of NetID ___________

Security Administration Office User Only

Location ____________________

Origin Code ____________________

Source Code ____________________

User ID ____________________

Personal Information – Complete All Fields

Name ____________________

Title ____________________

Department ____________________

Room No. ________ Building ____________________

Employee ID ____________________

NetID ____________________

Phone ____________________

Street ____________________

Roles and Permissions – Select All Applicable Roles

Email ____________________

Complete this form and select:

✔ **Journal Entry role**

To access form, visit

Financial Services Forms

For Journal Entry Training, visit

Financial Services Training

How to Access the Open Item Report Role

Log In

- **Log in** to MyQueensU/SOLUS Portal from Queen's Home Page
- **Click** Applications tab
- **Click** Finance link under PeopleSoft Resources

Navigate to General Ledger>Open Items>A/R Open Item Report

Create a Run Control (You will only need to **Create** a Run Control once)

- **Click** Add a New Value tab
- **Enter** name you want to call your Run Control **(Example: AROPENITEM)**
- **Click** Add button
- For future reports, select **Search** button, use existing Run Control and run report

Run Report

- **Enter** desired information field(s)
- Report can be run by Open Item Key, Department ID, or by Project ID (or range)
- Report will show all outstanding receivables as at the "As of Date" indicated

How may we help you today?

Contact us:

Tel: 613-533-2050
Fax: 613-533-6433
Email: accounts.receivable@queensu.ca
Website: Financial Services

Location: Financial Services
207 Stuart Street,
3rd Floor, Rideau Building

Hours: Monday – Friday
Open 8:00 am – 4:00 pm

To learn more or to review additional

Training Resources

and Video Tutorials

visit the [Financial Services Training] **page**