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](mailto:finance.training@queensu.ca)

**Email:** finance.training@queensu.ca

**Phone:** 613.533.2050
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**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>Qty</th>
<th>Unit Price</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

**TO ACCESS**  
Queen’s Invoice Template  
visit  
**Financial Services Forms**

**DATE:**

**INVOICE NUMBER:** (12 digits):

**REFERENCE NUMBER:**

**TERMS:**  
Due Upon Receipt

**CURRENCY:**  
Canadian Dollars (CAD)

**SUBTOTAL** $ -

**TAX RATE** 0.00%

**HST** -

**OTHER** -

**TOTAL** $ -

**HST #: 10786 8705 RT0001**

**THANK YOU FOR YOUR BUSINESS!**
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 John Smith from Event Services, Department 18101 issues his 1st 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

<table>
<thead>
<tr>
<th>University Department:</th>
<th>Event Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Contact Name:</td>
<td>Suzanne Adams</td>
</tr>
<tr>
<td>Contact Email:</td>
<td><a href="mailto:adamss@queensu.ca">adamss@queensu.ca</a></td>
</tr>
<tr>
<td>Contact Phone #:</td>
<td>613-555-1212</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bill To:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown Kingston BIA</td>
</tr>
<tr>
<td>Kyle Wood</td>
</tr>
<tr>
<td>123 Main St.</td>
</tr>
<tr>
<td>Kingston, ON, K7M 1E3</td>
</tr>
<tr>
<td>613-555-1234</td>
</tr>
<tr>
<td><a href="mailto:kwood@dkbia.com">kwood@dkbia.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-May-14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Invoice Number (12-digits):</th>
</tr>
</thead>
<tbody>
<tr>
<td>18101-SA-00001</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reference Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>PO # 12345-ABC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Terms:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due Upon Receipt</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Currency:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Dollars (CAD)</td>
</tr>
<tr>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>Rental of Conference Space for June 11-13, 2014</td>
</tr>
<tr>
<td>as per agreement signed on May 3, 2014</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>SUBTOTAL</th>
<th>$1,164.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>TAX RATE</td>
<td>13.00%</td>
</tr>
<tr>
<td>HST</td>
<td>151.32</td>
</tr>
<tr>
<td>OTHER</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,315.32</td>
</tr>
</tbody>
</table>

HST #: 10786 8705 RT0001

THANK YOU FOR YOUR BUSINESS!
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:

<table>
<thead>
<tr>
<th>Line</th>
<th>Debit Account:</th>
<th>Credit Account:</th>
<th>Amount</th>
<th>Open Item Key</th>
<th>Project ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>120119 (A/R – External Sales)</td>
<td>4XXXXX</td>
<td>-1,164.00</td>
<td>18101-SA-00001</td>
<td>D-Kgn BIA Space Jun 11-13</td>
</tr>
<tr>
<td>1</td>
<td>120119 (A/R – External Sales)</td>
<td>210080</td>
<td>-151.32</td>
<td></td>
<td>D-Kgn BIA Space Jun 11-13</td>
</tr>
</tbody>
</table>

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**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>Qty</th>
<th>Unit Price</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**SUBTOTAL** $ -

**TAX RATE** 0.00%

**HST** -

**OTHER** -

**TOTAL** $ -

**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:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Dept</th>
<th>Account</th>
<th>Program</th>
<th>Class</th>
<th>Project</th>
<th>Fund Affil</th>
<th>Amount</th>
<th>Open Item Key</th>
<th>Journal Line Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10000</td>
<td>18101</td>
<td>120119</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-438.44</td>
<td>18101-SA-00003</td>
<td>D-Kgn BIA Space Jun 11</td>
</tr>
<tr>
<td>10000</td>
<td>18101</td>
<td>450008</td>
<td></td>
<td>4419</td>
<td></td>
<td></td>
<td>388.00</td>
<td></td>
<td>D-Kgn BIA Space Jun 11</td>
</tr>
<tr>
<td>10000</td>
<td>18101</td>
<td>210080</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50.44</td>
<td></td>
<td>D-Kgn BIA Space Jun 11</td>
</tr>
</tbody>
</table>

**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 _________________________________

Email ______________________________________

Roles and Permissions – Select All Applicable Roles

To access form, visit
Financial Services Forms
For Journal Entry Training, visit
Financial Services Training

Complete this form and select:

✔ Journal Entry role
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