GRANT ADMINISTRATION: How Are Invoices Processed For Payment?

Introduction

Invoices for products or services provided to the College are received from vendors and processed in Einstein’s Accounts Payable Department (located in Room 111, Belfer). The dollar value of the invoice determines the review and approval process described below.

Forms

- Invoice Referral Sticker (Figure 1)
- Referral Report Letter (Figure 2)
- Referral Report (Figure 3)

Procedure

Invoices received by Accounts Payable are date/time-stamped and pertinent invoice information (e.g., invoice number, vendor name, date of purchase or service) is entered into the Accounts Payable OC Web/Jacada program.

**NOTE:** If the invoice is less than $5,000, no signature approval is required if (1) the amount of the invoice matches the Purchase Order and (2) the Purchase Order is still open (not expired). In such cases, Accounts Payable will generate the check and mail it to the vendor.

Accounts Payable generates an Invoice Referral Sticker (“Referral Sticker”) (Figure 1) for each invoice, which indicates:

- Program-assigned control number;
- Date the invoice is returned to the department;
- Name of the person authorized to approve and sign-off on the invoice (“authorized signatory”);
- Reason(s) the invoice is being returned; and
- Accounts Payable initials.

The Referral Sticker is placed on the invoice and sent to the department signatory for approval. Invoices for equipment or services with an acquisition cost of $50,000 or more must be approved by the Principal Investigator (“PI”); if authorized by the Department Head or PI, a Department Administrator (“Administrator”) (or their designee) may sign for invoices of $5,000-$49,999. In both instances, Accounts Payable will only accept authorized signatures or the invoice will be returned to the department.

**EXCEPTION:** All Einstein Engineering and Yeshiva Facilities invoices—regardless of the amount of the invoice—must be approved by the respective department before a check can be issued.

1 Jacada is the software “vehicle” administrators use to access the ITS mainframe where all reports reside.
If equipment has been received as ordered, the authorized signatory should immediately sign the **Referral Sticker** and return the invoice to the Accounts Payable Department for further processing.

**NOTE:** A quick response will enable Einstein to take advantage of discounts based upon the vendor’s terms (e.g., 2% discount if paid within 10 days).

**Referral Report Letters** (Figure 2) are generated by the Accounts Payable Manager and sent to PIs and Administrators with outstanding, unpaid invoices. A **Referral Report** (Figure 3) is generated approximately every month, listing invoices that have not been returned to Accounts Payable with the correct information required to complete the payment process.

Invoices may be returned for the following reasons:

- Approval Required
- Funding Required (11 digits)
- Correct PO Number Needed
- PO Number Required
- PO Not Entered
- PO Expired - New PO Required
- Wrong Vendor - Revision Required *
- Revision For Additional Money
- Revision For Item Not On PO
- Revision For Unit Price Difference
- Revision For Quantity Difference
- Revision For Extension Error
- Other (to be filled in by A/P)
- Return To A/P For Processing
- Send To Purchasing To Process
- Grant Ex. Revision Required
- PO Complete, New # Needed
- Vendor Acceptance Required *
- PO Revision Pending
- Open Format Required
- Exceeds 10% Variance
- PI Approval Required

* Can only be changed by Procurement Services, not Administrators.

**IMPORTANT NOTE:** Returned invoices must be promptly corrected and returned to Accounts Payable for payment to avoid late charges. Failure to respond to a returned invoice in a timely manner may result in additional charges being assessed against that department’s General Ledger (“G/L”) account.
Referral Report Letter

ALBERT EINSTEIN COLLEGE OF MEDICINE
OF YESHIVA UNIVERSITY

JACK AND PEARL RESNICK CAMPUS - 1300 MORRIS PARK AVENUE - BRONX, NEW YORK 10461-1602
ADMINISTRATION    PHONE: (718) 430-3011

MEMORANDUM

TO:         Departmental Administrators

FROM:      Stephanie Bucci
            Accounts Payable Manager

DATE:       December 31, 2010

SUBJECT:    YEAR END Invoice Referral Report

We have received numerous complaints from faculty and vendors regarding late payment of invoices. Invoices **cannot** be paid promptly because they are not being returned to Accounts Payable in a timely fashion.

We urgently request that referral reports are reviewed by each departmental administrator and that corrective action is taken so that invoices can be processed on time.

**It is important that you return all of the original invoices that are listed on your report.**

The invoice being referred, as well as the referral report, indicates what action is needed.

If there are any questions regarding the referral report, please contact Accounts Payable at 718-430-3011. The bottom line is that all vendors **must** be paid on time and that **cannot** happen without your cooperation.
Figure 3

*Reasons for invoices being returned are indicated by the red boxes.