## Subject
Deposit With Order - Supplier Invoices From Portal

## Source
University Procurement Services

## Original Date of Issue
5/16/2019

## Date of Last Revision
7/8/19

## Disclaimer
The information provided in this Standard Operating Procedure (SOP) is designed to provide helpful information on this procedure. Purchasing reserves the right to determine on a case by case basis if a SOP should be adjusted for a particular situation. This SOP is not intended to cover each and every situation nor can it anticipate specific circumstances.

## Rationale
In some circumstances, a Deposit is required with order. When a deposit is required the order needs to be set up in a specific style to accommodate Invoice/Receiving requirements.

### Procedures

**As Departmental user:**

1. Complete non-catalog item order as you normally would.
2. Do not change the default Distribution Method after selecting supplier (the order needs to be sent to the supplier).
3. On the REQ, check the Order Restricted? box in the General section. (this routes the REQ to Purchasing)

4. Complete any other Required information (e.g. account, obj code, etc)
5. Complete **Special Payment Instructions** –
   
   If payment is to be made by Wire or Draft, select appropriate ‘stated in’ option (this has no validation and is informational only; also see Note D below);
   
   Only set your Campus code if you are picking up the check. Otherwise, leave it blank;
   
   Enter “Expedit – DEPOSIT” in the Instructions Text 1 box;
   
   Enter “Call Departmental User XXX-XXX-XXXX” in the Instructions Text 2 box **ONLY IF YOU NEED TO PICK UP THE DEPOSIT CHECK FOR RUSH DELIVERY.** If not, leave this box blank.
NOTES:

A) TEXT IN EITHER ‘INSTRUCTIONS TEXT’ BOX FORCES ACH PAYMENTS TO BE MADE VIA CHECK;
B) DO NOT CHECK THE ‘SPECIAL HANDLING REQUESTED’ box (this will force all future payments against this PO for special handling).
C) Format of text in Instructions box is important for searching. Suggest always starting with ‘ Expedite’ as your Instruction text.
D) If Wire Transfer or Foreign Draft method is required, the Supplier Record MJST be set up indicating Payment Method as Wire/Draft, AND Purchasing Supplier Work Group must have approved and set the Payment Custom Field checkbox on the supplier record. If this is not done prior to payment processing, payment will be sent according to the supplier record’s Payment Method. SUGGEST CONTACTING PURCHASING TO VERIFY SUPPLIER’S PAYMENT METHOD BEFORE A WIRE/DRAFT REQUEST.

6) Add a note in COMMENTS section – “DEPOSIT of XXX.XX is required with order” and attach any supporting documentation.

7) When complete, Click Final Review link, click PLACE ORDER button

Requisition will route for FO approval, Org Review if applicable, then to the Purchasing Buying Team.

Purchasing will:
1) review for appropriateness and complete order set up so the supplier can invoice from their portal;
   Example of External Note on Requisition:
   “Supplier Name, please create an invoice for the amount of the deposit from your supplier portal.”
2) will send a COMMENT to the Requisition Initiator letting them know they need to create a Receipt ticket for the DEPOSIT Line item ONLY when they approve the REQ;
   Example of Comment:
   “Departmental User Name, please create a Receipt ticket against this PO for the deposit amount (ONLY).”

Upon final approval, PO will distribute to supplier;
Supplier will need to create invoice from their portal and send back to BUY.IU.
When invoice has been sent to BUY.IU, you will see it under the Invoices link on the PO.

Departmental RECEIVING Person – upon receiving notice from Purchasing, will need to:
1) Create Receipt ticket from the PO Document Actions for **ONLY** the Deposit line item/amount.

**NOTE:** you will also see an option to Create Cost Receipt if order is Cost Receiving (instead of Quantity Receiving)

2) Delete/Remove the line items on the receipt ticket that are not being Received at this time.

**Additional Notes:**
*Payment method (e.g. check/ACH/etc) will be determined by the default set in the supplier record.
*If the dept does not create a Receiving ticket within 5 days of the invoice arriving in BUY.IU, the system will send a reminder notification to the REQ initiator. Additional ‘daily’ reminders will go out beginning day 18 and if a receiving ticket has still not been created been created at day 20, the invoice will move to Exception Matching and route for FO approval.

**Accounts Payable** will -
1) Monitor the Expedite Request daily (via reports or searches) to ensure those needing Deposits get priority.

**As Treasury** –
1) If Payment is Wire Transfer or Foreign Draft, the invoice document will route to Treasury (last) for disbursing payment.

**DEFINITIONS:**

**CROSS REFERENCE:**
NOTE: This process can also be used for Full Check Enclosed orders (if Check Request is not an option) without splitting out the Deposit line item (e.g. Add External Note at Header Level that reads “PLEASE SUBMIT INVOICE FOR FULL ORDER AMOUNT USING SUPPLIER PORTAL”).