

documents:

Original Receiving Report - only when all the items on the purchase order have been received or when the final shipment against the purchase order has been received

Photocopy of the Receiving Report - if a partial shipment has been received and another delivery is expected

If the quantity of items actually received on a delivery is the same as the amount ordered, simply circle the printed quantity shown on the receiving report. It is imperative that the departments receiving merchandise carefully verify which items and quantities were actually received, and then insure that the receiving reports sent to Accounting Services clearly indicate the quantities actually received for each item ordered.

NOTE: If the unit of measure for the items received is different from the unit of measure indicated on the receiving report then complete information describing the difference should be written on the receiving report, as explained in the following examples:

Example 1

- receiving report indicates "24 boxes" in the quantity column but the delivery ticket indicates "2 cases"
- if there are 12 boxes in each case, write "12 boxes in one case, 2 cases received" on the receiving report

Example 2

- receiving report indicates "50 lbs" of a liquid but the delivery ticket indicates "8 gallons"
- if 8 gallons equal 50 pounds of the liquid, write "8 gallons = 50 lbs, 8 gallons received" on the receiving report

- B. In the area provided for approval information in the lower right-hand corner of the receiving report, check either "Complete" or "Partial".

Complete - a receiving report should be marked complete **only** when all the items on the purchase order have been received, or if no more items are expected to be received

Partial - a receiving report **copy** should be marked partial if only a partial shipment has been received **and more items are expected to be received at a later date**

NOTE: Invoices against Blanket Orders and Standing Orders are sent to the departments for approval; the invoice should be marked partial if further purchases are expected to be made against the order during the time period covered by the order; the invoice should be marked complete only if it represents the final invoice to be paid against that standing or blanket order; receiving reports for Standing and Blanket orders should be retained in the department - they should **not** be sent to Accounts Payable.

- C. Indicate the date the material was received on the **Date Recd** line in the lower right-hand corner of the receiving report.
- D. The department head, or other authorized signatory, should sign the receiving report on the Approved by line, and the date approved should be indicated.
- E. The approved receiving report should then be **immediately** sent to Accounts Payable.

III. Special Procedures for Certain Purchases

A. Annual Contract Maintenance on Equipment

It is not necessary to send a receiving report for maintenance orders on equipment. Accounts Payable will pay these invoices automatically, without a receiving report, as long as the invoice received from the vendor agrees with the terms of the purchase order. However, if a vendor should not be paid because of non-performance on the maintenance contract or any other reason, a memo must be sent to Accounts Payable explaining the problem. If the department fails to notify the Accounts Payable office of a problem, the vendor will continue to be paid.

B. Freight Bills

Due to federal interstate commerce regulations, freight bills must be paid very quickly and special procedures have been established for this purpose. If the department receives the freight bill, stamp the bill with the Approval Stamp, fill in the stamp with the necessary information, and immediately send the approved freight bill to Accounts Payable. If, however, the freight bill is received directly by Accounts Payable from the vendor, the department will be called to verify that the delivery was made and to obtain the necessary approval information.

Note: These procedures apply to the following two types of freight bills:

Collect: Incoming shipments marked COLLECT (usually "Col" in the charges field)

Prepaid: Outgoing shipments where LSU is designated as the Shipper and the freight bill is marked PREPAID (usually "PPD" in the charges field)

IV. How to Approve Invoices for Direct Charges and Confirmation Orders for Which Requisitions Have Not Yet Been Sent to Purchasing

- A. As soon as the invoice is received, it should be compared to the delivered materials or services. If any discrepancies in quantity or description are found, indicate the exceptions on the invoice.
- B. Stamp the face of the invoice with the Accounts Payable approval stamp, provide the information in each field and obtain approval signature from the departmental employee delegated to approve invoices
 1. **Acct No.** - provide the appropriate account number to which the invoice will be charged
 2. **Tran Type** - provide the appropriate transaction type (X for expenditure, R for revenue, L for liability, etc.) to identify the object type
 3. **Obj** - provide the 4-digit object code
 4. **Amt** - write in the amount to be charged to the acct no/tran type/obj (sum of Amts must = total invoice amount)
 5. **Proj** - provide the departmental project number, if applicable
 6. **PO or Req #** - provide the 6-digit purchase order number or the 7-digit requisition number
 7. **Comp or Partial** - indicate whether or not the invoice payment represents complete or partial delivery of the referenced purchase order
 8. **Accrued Tax Rate** - not applicable for LSU & A&M; applicable for LSU Foundation
 9. **Date Mat Received** - indicate the date the items were received
 10. **Date Approved** - indicate the date the invoice is approved for payment
 11. **Approved** - signature of individual authorized to approve invoice for payment
- C. **Invoices offering cash discounts by the vendors** should be processed as quickly as possible by the department. Accounts Payable makes every effort to expedite the payment of such invoices so that every available discount can be taken to save budgeted departmental funds.
- D. The invoice should be **stapled** to the requisition, and the requisition, with the approved invoice attached, should be sent directly to Purchasing.

V. General

- A. Accounts Payable, upon receiving an invoice from a vendor that does not reference a Purchase Order number, will send it to the appropriate department with a request for the department to provide the purchase order number. When your department receives an invoice from Accounts Payable, provide the information immediately and, to eliminate the problem, instruct vendors to include purchase order numbers on all invoices.

- B. If a vendor sends an invoice directly to your department, the procedures below should be followed.
 - 1. If the invoice is for a direct charge or is on a confirmation order for which the requisition has not yet been sent to Purchasing, follow the steps in section IV of these procedures.

 - 2. Otherwise, write the purchase order number on the invoice, check to make sure the receiving report has already been sent to Accounts Payable, and return the invoice immediately to Accounts Payable.

- C. The best proof of receipt of merchandise is the delivery ticket or the packing slip. Accounting Services strongly recommends that departments require a packing slip before signing the receiving report, and that it be attached to the **departmental copy** (green copy) of the purchase order. The information provided on the packing slip may eventually be needed in the event Accounting Services does not receive the invoice.