UAMS INTERNAL PROCEDURES

NUMBER:　　**105.2.04**
CONTACT:　　**Buyer/Planner**
DATE:　　**July 1, 2004**
REVIEW DATE: May 2011

SECTION:　　**SUPPLY CHAIN**
AREA:　　**DISTRIBUTION SERVICES**
PROCEDURE: PROCEDURE TO RESOLVE GR/IR PROBLEMS

<u>PURPOSE</u>

The purpose is to ensure timely payment of invoices for goods received or services. Timely payment of invoices will also ensure that UAMS is not placed on credit hold by a vendor. Access and authority in SAP is required to perform this procedure. GR/IR problem invoices should be processed and resolved within a week of notice.

<u>PROCEDURE</u>

Goods Receipt/Invoice Receipt problems are resolved by the issuing Buyer. Purchase Orders are to contain a 3-way match as stated in Arkansas State Regulations. A 3-way match is as follows:

- A Purchase Order is issued for a consumable item for said price
- A receipt is processed for that consumable item
- An invoice is issued for the same exact price

If all three are not met, a GR/IR Problem occurs.

In order to determine the problem with the order, one must check the following to determine what needs to be fixed or investigated in order to get the order to a 3-way match:

- The items received and quantity
- The price of each individual item, taking into account a decimal place being carried out three places on an invoice cannot be done this way in SAP; the price will need to be increased on the PO by one cent.
- Determine if freight was added to the order and not coded as such on the order, code will need to be changed from 101 to 201.
- In some cases, an item is being invoiced and has not been received, a Proof of Delivery will need to be obtained from the vendor if needed, and then the item will need to be received.
- If price is incorrect on the PO and the item has already been received, the price will need to be corrected on the PO, which will then clear the block.
- The Buyer/Planner will contact the vendor whenever necessary to resolve.
- In some cases the invoice has not been posted correctly by AP and the Buyer/Planner must send info to AP to request re-posting of invoice.