



501 AP110
Accounts Payable and Expenses Overview

Web Based Training



Welcome to Cardinal Training

This training provides participants with the skills and information necessary to use Cardinal and is not intended to replace existing Commonwealth and/or agency policies.

This course, and the supplemental resources listed below, are located on the Cardinal website (www.cardinalproject.virginia.gov) under Learning.

Cardinal Reports Catalogs are located on the Cardinal website under Resources:

- Instructor led and web based training course materials
- Job aids on topics across all functional areas
- Variety of simulations
- Glossary of frequently used terms

The Cardinal screenshots included in this training course show system pages and processes that some users may not have access to due to security roles and/or how specific responsibilities relate to the overall transaction or process being discussed.

For a list of available roles and descriptions, see the Statewide Cardinal Security Handbook on the Cardinal website in the Security section under Resources.



Course Objectives

After completing this course, you will be able to:

- Identify key Accounts Payable functional concepts and terms
- Understand key concepts and processes for the Accounts Payable and Expenses modules
- Recognize how Accounts Payables integrates with other modules in Cardinal
- Recognize how Accounts Payables interfaces with systems outside Cardinal



Agenda

1

Introduction to Accounts Payable

2

Accounts Payable and Expenses Processes

3

Integration and Interfaces



Lesson 1: Introduction

1

Introduction to Accounts Payable

This lesson covers the following topics:

- Accounts Payable Overview
- Key Concepts



Accounts Payable Overview

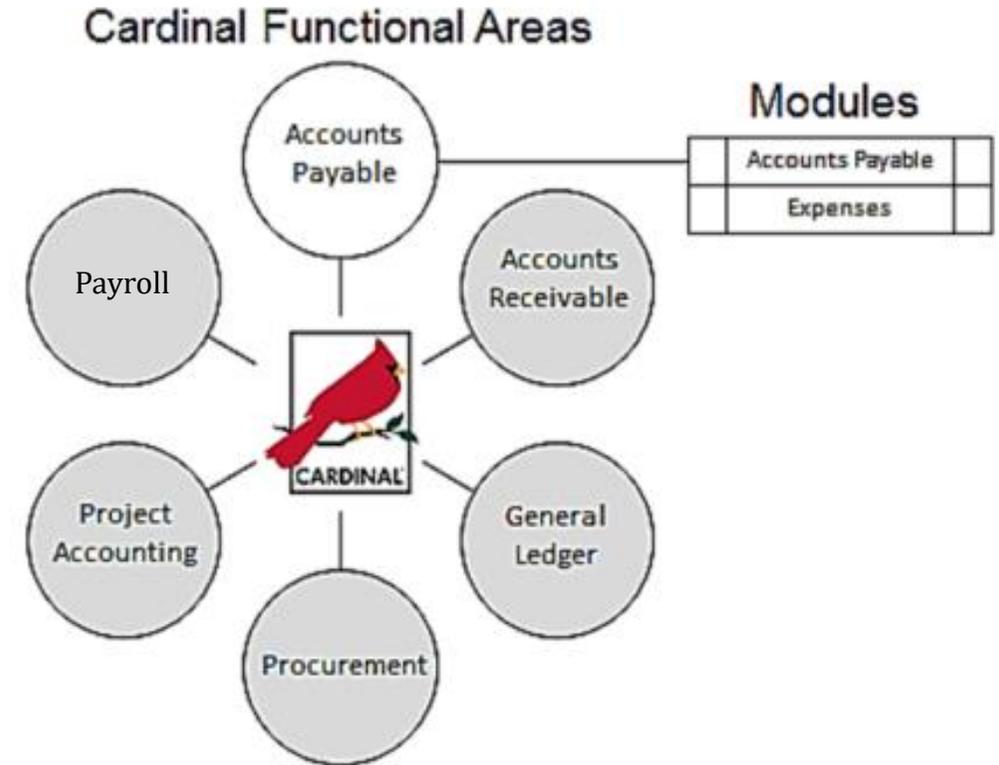
The Accounts Payable functional area of Cardinal is composed of two modules:

Accounts Payable

The Accounts Payable (AP) module processes payments to suppliers for goods and/or services received.

Expenses

The Expenses module processes payments to employees for non-salary related items (i.e., travel and other business expense reimbursements). The Expense module is often referred to as Travel and Expenses.





Key Concepts

Some key concepts in Accounts Payable and Expenses include:

- Cardinal operates on a modified accrual basis. Cash balances are not immediately affected when vouchers are entered. Instead, Cardinal generates an offsetting entry to a liability account. Later, when the voucher is paid, the posting process generates accounting entries (debit to liability and credit to cash).
- Vouchers are entered in the Accounts Payable module to pay suppliers.
- The term **Voucher Styles** refers to vouchers such as regular vouchers, adjustment vouchers, and template vouchers.
- Cardinal uses one supplier table that is shared across all agencies using Cardinal. The supplier table is maintained centrally by the Commonwealth Vendor Group (CVG).
- Suppliers may be procurement suppliers (selling goods or services) or fiscal suppliers (non-procurement suppliers or payees such as individuals or companies receiving refunds). Procurement supplier additions and updates are interfaced from eVA (the Commonwealth's web-based procurement system). Fiscal supplier additions and updates are entered directly into Cardinal by the CVG from Vendor Maintenance Request Forms submitted by the agencies.
- Supplier offsets other than Comptroller's Debt Setoff (CDS), such as tax liens and garnishments, are manually calculated and tracked outside of Cardinal.



Key Concepts (continued)

- End users are able to see CDS offset amounts for suppliers.
- Purchase Orders (POs) are commitments from an organization to suppliers to purchase goods or services from a supplier. The purchase information, such as item, quantity, freight terms, shipping terms, payment terms, and shipping instructions is listed on the document and is part of the contractual nature of the PO.
- All Cardinal voucher payments are either PO vouchers or non-PO vouchers.
- Agencies reimburse their employees in the Expenses module.
- The term Expenses includes both travel and non-travel related employee expenses.
- Travel authorizations are not required by the Cardinal system. They are created based on agency and state policy and procedure.
- Cardinal automatically (based on configuration) identifies 1099-MISC reportable payments, and can generate Federal 1099-MISC Reports at the end of the year.
- 1099-MISC-S reporting data is handled by the VDOT Right-of-Way Division's Right-of-Way and Utility Management System (RUMS).



Lesson 1: Summary

1

Introduction to Accounts Payable

In this lesson, you learned:

- The Accounts Payable functional area of Cardinal is composed of two modules: Accounts Payable and Expenses.
- There is only one supplier table in Cardinal. It is maintained centrally by the Commonwealth Vendor Group (CVG).
- Suppliers may be procurement suppliers (selling goods and services) or fiscal suppliers (non-procurement suppliers or payees such as individuals or companies receiving refunds for overpayments, etc.).
- Vouchers and expense reimbursement payments are processed through the Accounts Payable module.



Lesson 2: Introduction

2

Accounts Payable Processes

This lesson covers the following topics:

- The Accounts Payable Functional Area
- Accounts Payable Processes
- Expense Processes



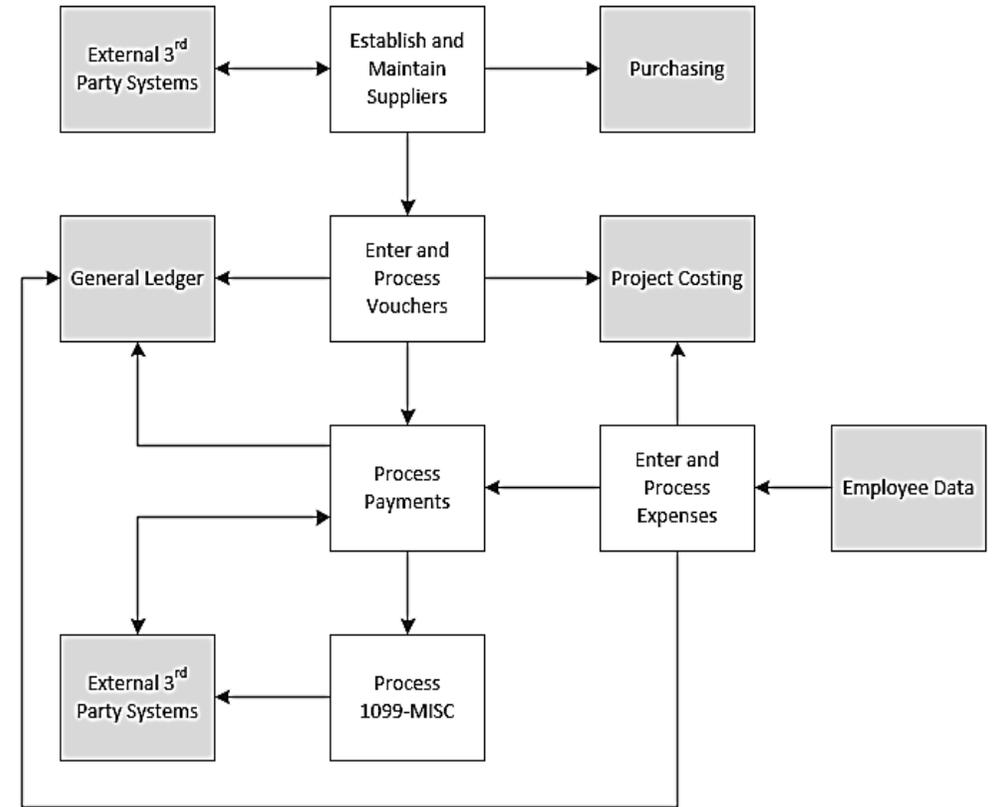
Accounts Payable Functional Area

The Accounts Payable functional area includes two modules: Accounts Payable and Expenses.

Key processes in the Accounts Payable functional area are:

- Establish and Maintain Suppliers
- Enter and Process Vouchers
- Process Expenses (includes travel authorizations, cash advances, and expense reports)
- Process Payments
- Process 1099-MISC

This diagram shows the Cardinal Accounts Payable processes and the business process relationships with each other, with other Cardinal functional areas and with systems external to Cardinal.



Click on image to enlarge

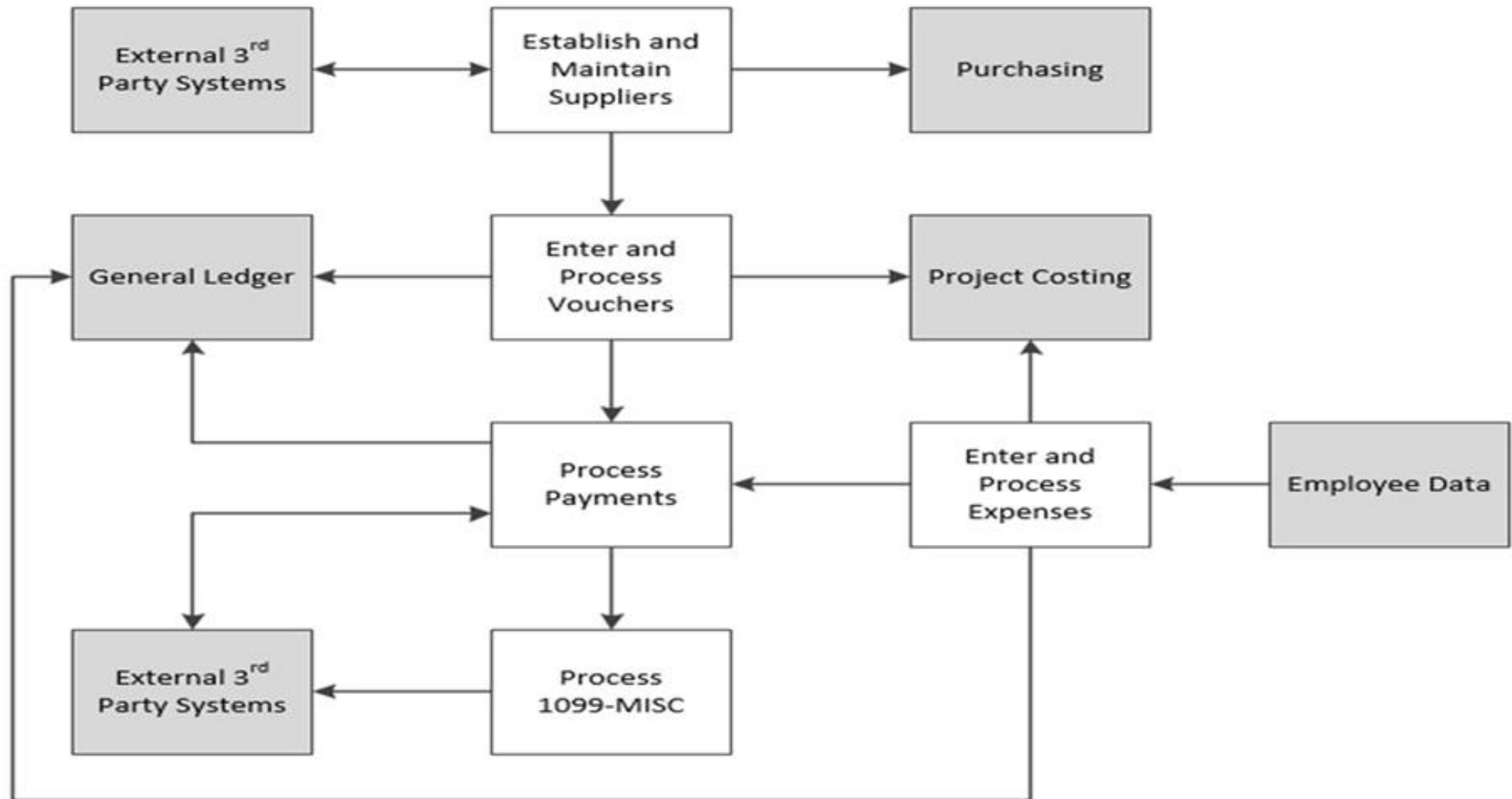


Accounts Payable Processes

The Accounts Payable process includes the following functions required to record, process, and issue payments:

- Establish and maintain suppliers
- Enter and process vouchers
- Process payments
- Process 1099-MISC Reporting

Accounts Payable Process

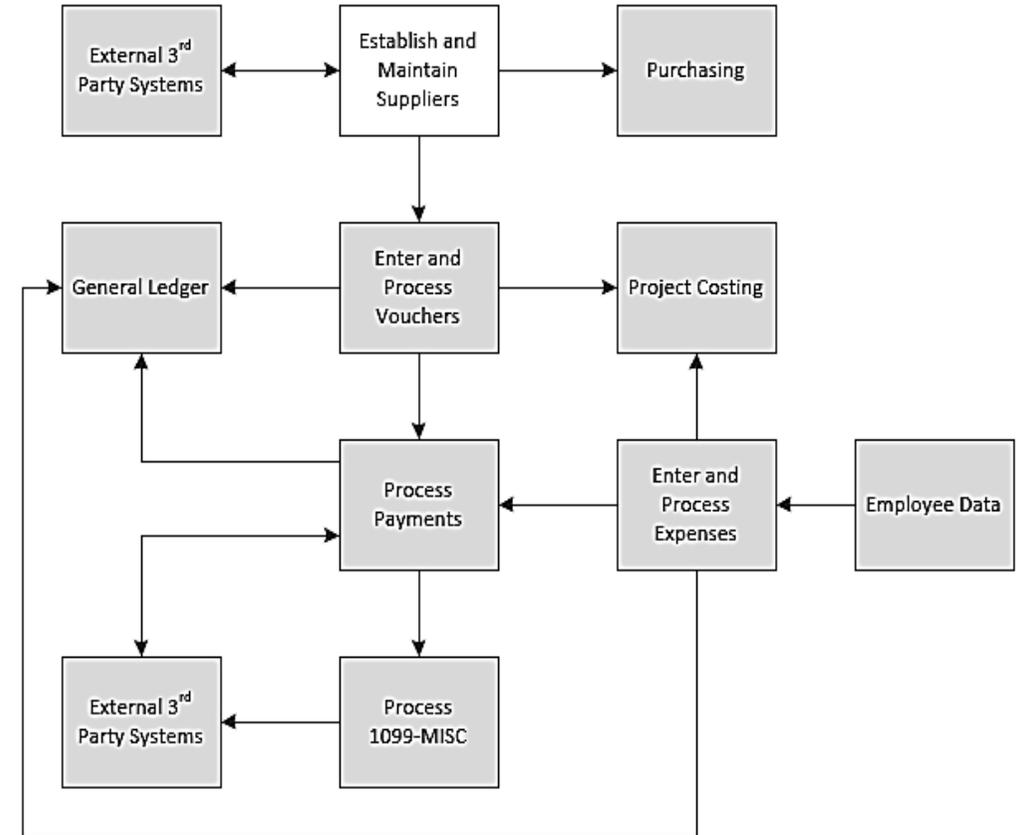




Establish and Maintain Suppliers

Establishing and maintaining supplier information includes the entry, approval, and maintenance of suppliers. Before any accounts Payable processing can occur, suppliers must be established in Cardinal, which houses one centralized database for procurement and fiscal suppliers. A supplier's invoice cannot be paid until the supplier has been established in Cardinal. Supplier information can be searched and viewed in Cardinal; however, changes cannot be made.

- The Commonwealth Vendor Group (CVG) manages the centralized supplier database in Cardinal as well as the entry and approval of all fiscal suppliers. If a fiscal supplier needs to be added or updated, a Vendor Maintenance Request Form must be completed and submitted to the CVG.
- All procurement suppliers must be registered in eVA which is managed by the Department of General Services (DGS). Cardinal receives a nightly interface from eVA to add and/or update suppliers in Cardinal.





Supplier Processing Overview

Supplier Processing overview:

- All Cardinal users share the same statewide supplier database.
- Cardinal stores two types of suppliers: procurement and fiscal.
- Procurement suppliers (those that sell goods and services) are entered and updated in eVA and interfaced nightly from eVA to Cardinal.
- A fiscal supplier is any entity that an agency needs to pay specific to the nature of the agency's business (such as individuals or companies receiving refunds) that is not a procurement supplier. Fiscal suppliers are created and updated directly in Cardinal by the CVG.
- Agencies can request the addition of fiscal suppliers in Cardinal by submitting a Vendor Maintenance Request Form to CVG. Prior to submitting the request, the agency should verify that the supplier being requested does not already exist in Cardinal.
- Cardinal uses Supplier ID numbers to uniquely identify suppliers. The supplier Taxpayer ID number (TIN) and Vendor Location Identification Number (VLIN) are stored in Cardinal and can also be used to identify a supplier.



Supplier Processing Overview (continued)

- Only one Cardinal supplier can be created for each unique Taxpayer Identification Number (TIN). Suppliers may have multiple Remit To addresses for multiple supplier physical locations. It is important to select the appropriate Remit To address when creating a voucher to ensure that the supplier check payment is sent to the correct address.
- Cardinal uses **Location** to store a supplier's payment information and also to identify a supplier subject to tax liens and garnishments. Location is not a physical address, but stores processing rules for payments to be made to suppliers like banking information. It is important to select the appropriate supplier **Location** to ensure that the supplier is paid correctly (electronic data interchange (EDI), ePayables, etc.).
- Requests one-time supplier setup for one-time refunds to recipients who are not employees of the agency. One-time suppliers are always paid via check, are inactivated automatically after one use, and are not 1099-MISC reportable.
- Supplier processing uses outbound and inbound interfaces with the Internal Revenue Service (IRS) to verify TIN information.



Supplier Processing Overview (continued)

- Cardinal interfaces with the Department of Small Business and Supplier Diversity (DSBSD) Certification System. DSBSD provides small businesses, women, and minority (SWAM) owned and disadvantaged business enterprise (DBE) business data for suppliers in Cardinal through a weekly interface.
- Suppliers in Cardinal are validated against the Federal Government Financial Sanctions list and marked as such so that vouchers cannot be created for those suppliers.

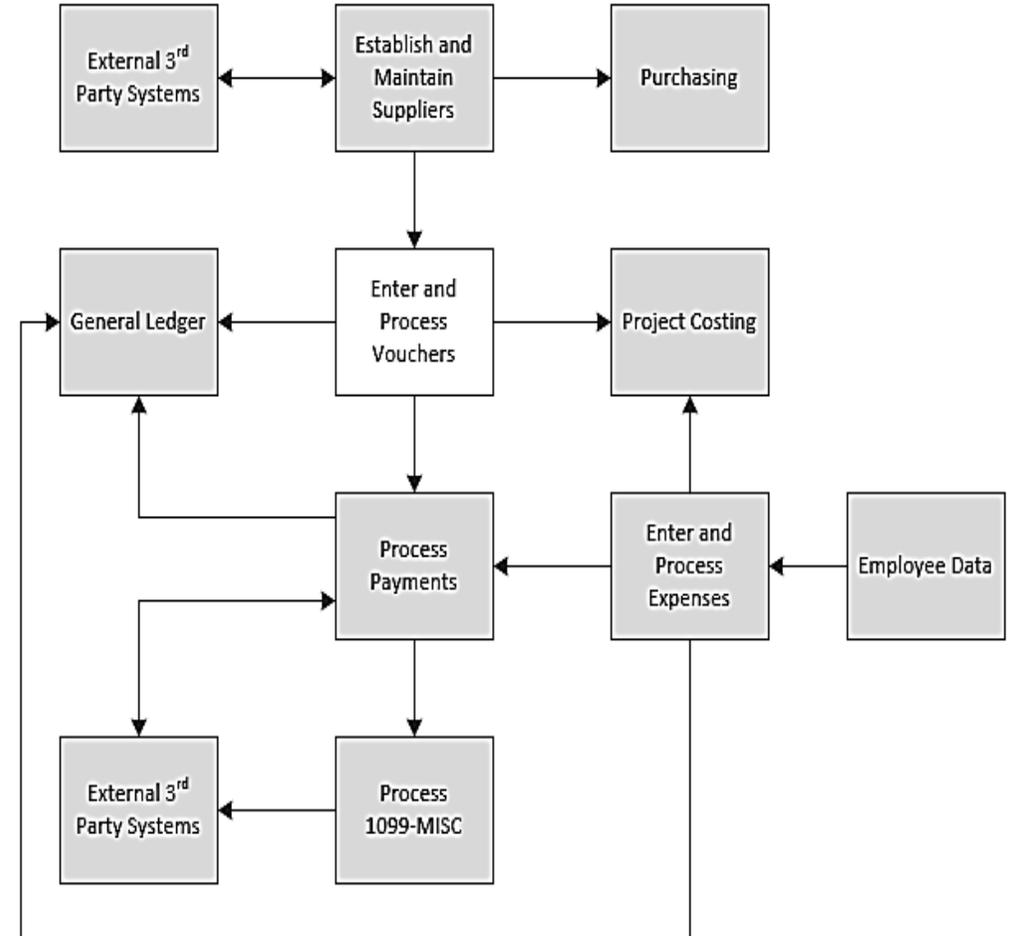


Enter and Process Vouchers

Voucher processing includes the creation of vouchers (either online or via interface) and the subsequent error checking, budget checking, approval, and posting of these vouchers. Successfully processed vouchers are eligible for payment.

Voucher processing may also include processes such as adjustments, payment offsets, petty cash vouchers, petty cash reimbursements, voucher unposting, and voucher deletion.

Accounts Payable accounting entries are created during the Cardinal posting processes and are used by the General Ledger module to create journal entries.





Voucher Processing Overview

Voucher Processing overview:

- Scan documents related to a voucher, such as a supplier's invoice, and attach them to the voucher for viewing online. Per Auditor of Public Accounts (APA), the electronic attachment documents do not replace the requirement to retain original documents for records. For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.
- All Cardinal vouchers must be approved in order to be processed and paid. A voucher cannot enter the approval process until it passes all edit and budget checking.
- Once a one-time supplier's voucher is entered and saved, the supplier becomes inactive. The one-time supplier must be inactive for the voucher to be picked up by pay cycle and paid.
- Payment offsets for items such as tax liens and garnishments are processed manually by the agency within Cardinal.
- A supplier payment may also be subject to payment offsets due to a Comptroller's Debt Setoff (CDS) which is processed automatically and the supplier's voucher and payment are adjusted in Cardinal for the offset.



Enter Voucher Process

Enter and process vouchers includes:

- Creating a voucher
- Attaching related documents (For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.)
- Editing a voucher, if necessary
- Performing error and budget checking
- Approving a voucher
- Posting a voucher

Maintain vouchers includes:

- Deleting a voucher
- Closing a voucher
- Unposting a voucher
- Adjusting vouchers

For more detailed information about voucher processing, see the course entitled **SW AP312: Voucher Processing** located on the Cardinal website in **Course Materials** under **Learning**.



Voucher Summary Page

Navigate to the **Voucher Entry** page using the following path:

Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Vouchers that have been entered and saved contain six tabs which provide additional information about the voucher:

- **Summary**
- **Related Documents**
- **Invoice Information**
- **Payments**
- **Voucher Attributes**
- **Error Summary**

Favorites > Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Summary | Related Documents | Invoice Information | Payments | Voucher Attributes | Error Summary

Business Unit	50100	Invoice Date	12/02/2016
Voucher ID	00635819	Invoice No	326912
Voucher Style	Regular	Invoice Total	1,263.28 USD
Supplier Name	Nova Datacom LLC 101 Executive Drive Suite J VA10032901 EVAAD276208 Sterling, VA 20166		
Entry Status	Postable	Pay Terms	Net 30
Match Status	No Match	Voucher Source	Online
Approval Status	Pending	Origin	ONL
Post Status	Unposted	Created On	12/07/2016 12:43PM
		Created By	HECTOR.ARANA
		Last Update	12/07/2016 12:46PM
Budget Status	Not Chk'd	Modified By	HECTOR.ARANA
Budget Misc Status	Valid	ERS Type	Not Applicable
		Close Status	Open

*View Related Go

Notify Refresh Add Update/Display

Summary | Related Documents | Invoice Information | Payments | Voucher Attributes | Error Summary

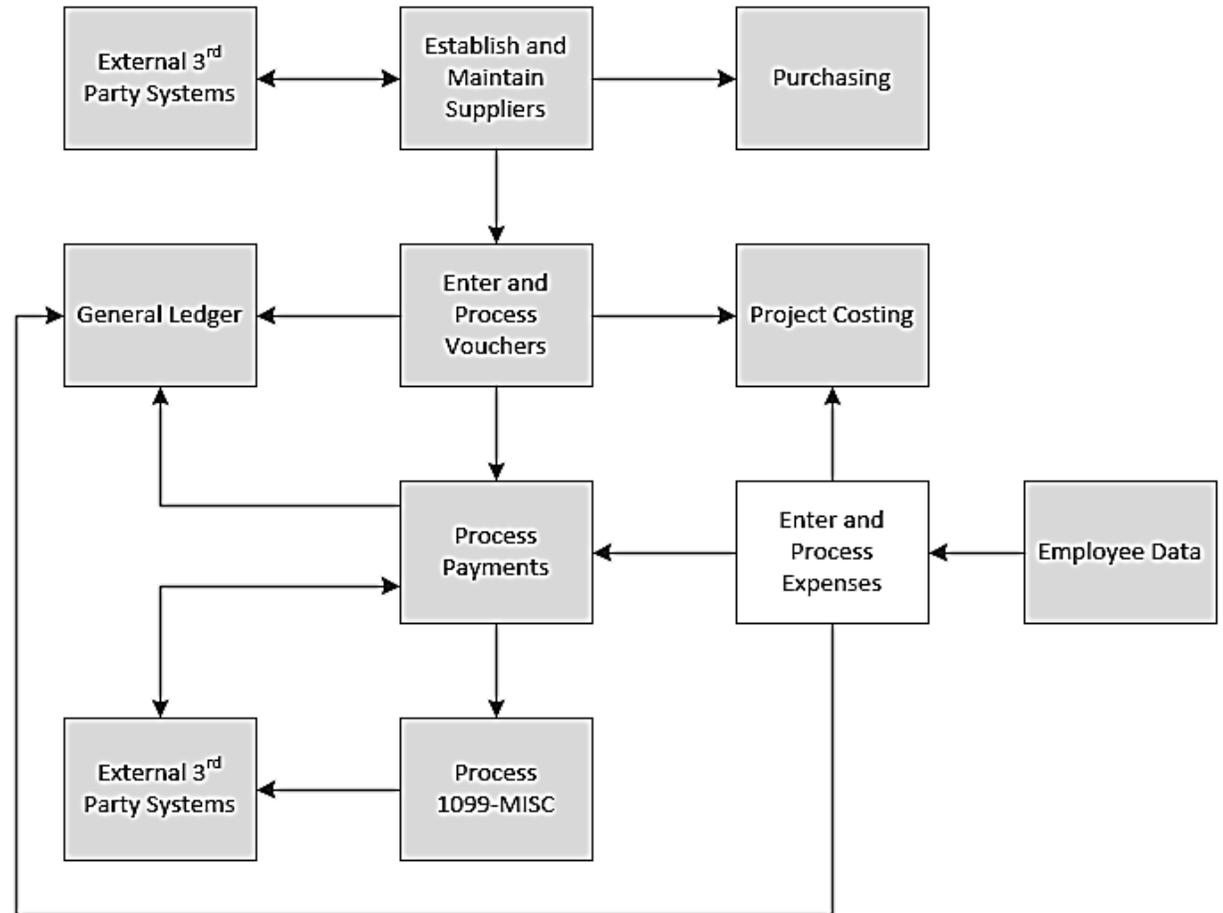


Enter and Process Expenses

The Expenses module processes non-payroll employee business expenses, including travel authorizations, cash advances, and expense reports for reimbursement to employees.

The Expenses process involves several key steps:

- Process travel authorizations, if appropriate
- Process cash advances, when appropriate
- Process expense reports





Expense Processing Overview

Expenses overview:

- All reimbursement payments to agency employees, except Payroll, are processed in the Expenses module.
- Petty cash should not be used for any payments to agency employees.
- Agency employees have expense profiles in Cardinal with important organizational data such as Business Unit, Department, and default accounting distributions. Profiles also contain EDI banking information, if applicable. Employee EDI Information interfaces from the Cardinal Human Capital Management (HCM) system daily, and can only be accessed by the DOA EDI Coordinator.
- Proxies will be established for every employee who needs to be reimbursed for travel and other business related expenses. The proxy can enter, update, and view expense transactions for the employee(s) assigned to them.



Expense Processing Overview (continued)

- Attachments can be added, such as scanned receipts and emails, to travel authorizations, cash advance requests, and expense report pages. Per the Auditor of Public Accounts (APA), the electronic attachment documents do not replace the requirement to retain original employee receipts on record. For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.
- Apply any cash advances received when completing the expense report. Cardinal automatically calculates the amount owed by or due to the employee.
- Agency policy determines whether an approved Cardinal travel authorization is required prior to travel. Cardinal allows a user to copy data from an approved travel authorization into a newly created expense report which can then be updated as needed.



Travel Authorizations

In Cardinal, travel authorization requests must be entered, submitted, and approved before the start date of the employee's travel.

Travel Authorizations steps include:

- Creating a travel authorization request
- Adding attachments, if required (For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.)
- Making updates if necessary
- Submitting the request for required approvals
- Deleting the request, if necessary

The designated approver(s) reviews the authorization request and can then approve it, send it back to the employee for updates, or deny it.

If the authorization is denied, the process ends with no action taken and the travel authorization must be deleted. If it is sent back, the proxy may update and resubmit. If it is approved, the process ends. No accounting entries are created.



Cash Advances

State and Agency policy determine eligibility for a cash advance.

Cash advances can be requested as part of a travel authorization or as a separate request. The cash advance process includes:

- Creating a request
- Adding attachments, if applicable (For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.)
- Updating the request
- Submitting the request for approval
- Deleting the request, if appropriate
- Staging the advances for payment
- Posting the cash advance accounting entries

Like a travel authorization, the designated approver(s) reviews the cash advance request and can then approve it, send it back to the proxy for updates, or deny it.

If the cash advance is denied, the process ends with no action taken and the cash advance must be deleted. If it is sent back, the proxy may update and resubmit. If it is approved, the cash advance is submitted for payment and appropriate accounting entries are created to record the payment to the employee and the resulting employee receivable.



Expense Reports

The process for expense reports includes:

- Creating the report
- Adding attachments, if applicable (For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.)
- Updating the report
- Submitting the report for approval
- Budget Checking the report
- Approving the report
- Staging the report for payment
- Posting the report to create accounting entries

As with the travel authorization and cash advance, the designated approver(s) reviews the expense report and can then approve it, send it back to the employee for updates, or deny it.

If the expense report is denied, the employee cannot resubmit it and it must be deleted.

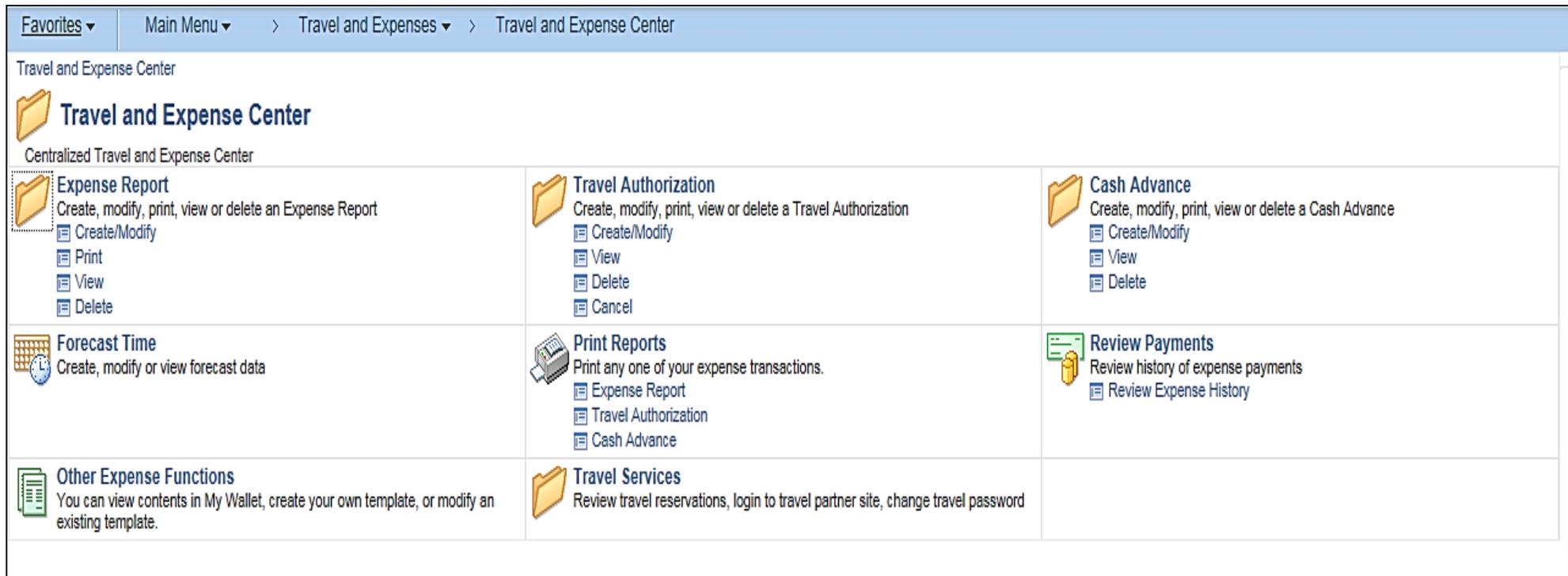


Travel and Expense Center Home Page

The **Travel and Expense Center** in Cardinal (selected from the **Travel and Expenses** menu) provides access to travel authorization, cash advance, and expense report functions.

Navigate to this page using the following path:

Main Menu > Travel and Expenses > Travel and Expense Center



The screenshot shows the 'Travel and Expense Center' home page. At the top, there is a breadcrumb trail: 'Favorites > Main Menu > Travel and Expenses > Travel and Expense Center'. Below this, the page title 'Travel and Expense Center' is displayed. A folder icon represents the 'Travel and Expense Center' itself. Underneath, it says 'Centralized Travel and Expense Center'. The main content area is a grid of functional tiles:

- Expense Report**: Create, modify, print, view or delete an Expense Report. Actions: Create/Modify, Print, View, Delete.
- Travel Authorization**: Create, modify, print, view or delete a Travel Authorization. Actions: Create/Modify, View, Delete, Cancel.
- Cash Advance**: Create, modify, print, view or delete a Cash Advance. Actions: Create/Modify, View, Delete.
- Forecast Time**: Create, modify or view forecast data.
- Print Reports**: Print any one of your expense transactions. Actions: Expense Report, Travel Authorization, Cash Advance.
- Review Payments**: Review history of expense payments. Action: Review Expense History.
- Other Expense Functions**: You can view contents in My Wallet, create your own template, or modify an existing template.
- Travel Services**: Review travel reservations, login to travel partner site, change travel password.



Process Payments (continued)

Pay cycle includes two major processes: Payment Selection and Payment Creation.

Payment Selection selects the vouchers or expense transactions that are eligible for payment, according to the selection criteria input into Cardinal for each pay cycle.

Payment Creation creates files that are transmitted to Treasury and to the bank which are used to generate supplier and employee payments.

Payment Selection and Payment Creation are run nightly as part of the Cardinal pay cycles. If errors occur in these processes, Cardinal generates exceptions. Any payment with an error must be reviewed and the exception must be resolved before it can be processed.



Process Payments Overview

Process Payments overview:

- In Cardinal, pay cycles are used to select and create payments for scheduled voucher and expense transactions. Payment files are created and transmitted to the Treasury and banks for payment creation. Cardinal uses different pay cycles for the different payment methods: Check, EDI, and ePayables.
- A supplier's payment may also be subject to Comptroller's Debt Setoff (CDS) maintained by the Department of Taxation. This process is automated in Cardinal and is part of the nightly batch processing.
- Once a petty cash voucher is approved in Cardinal, a payment is generated or a manual payment is recorded to create the necessary accounting entries.
- Regular vouchers are created as needed to provide reimbursement for petty cash.
- Cardinal ensures all payments (both vouchers and expenses) are checked against available cash before being released for payment. This process is called Payment Cash Checking.



Process Payments Overview (continued)

- Special/emergency payments can be processed in Cardinal outside the regular pay cycle process.
- Cardinal's ePayables process enables the processing of supplier payments using a virtual charge card. The Cardinal ePayables pay cycle sends a payment file to Bank of America for ePayable payment processing.
- Cardinal combines payments within the agency by supplier, supplier location, and address sequence number for each method of payment (i.e. checks, EDI, and ePayables).
- View Payment information (Reference number, Pay Date, etc.) on the **Payments** tab of the voucher itself or on the **Payment Inquiry** page in Cardinal.



Payments Page

Payment processes run in batch each night.

The **Payments** page of the voucher provides details of the payment, including:

- Remit To
- Pay Terms
- If payment is split among different payees
- Scheduled payment date
- Message on remittance
- Payment method

Navigate to the **Payments** page using the following path:

Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Access the voucher and then click on the **Payments** tab to access this page.

The screenshot shows a web application interface for managing payments. At the top, there are navigation tabs: Summary, Related Documents, Invoice Information, Payments (selected), Voucher Attributes, and Error Summary. Below the tabs, there are several sections:

- Business Unit:** 50100
- Invoice No:** 326912
- Voucher ID:** 00635819
- Invoice Date:** 12/02/2016
- Voucher Style:** Regular Voucher
- Total Amount:** 1,263.28
- *Pay Terms:** 30 Net 30
- Supplier Name:** Nova Datacom, LLC

There is a "Schedule Payments" button on the right. Below this is the "Payment Information" section, which includes:

- Payment 1:**
- *Remit to:** 0000005269
- Location:** MAIN
- *Address:** 3
- Gross Amount:** 1263.28 USD
- Discount:** 0.00 USD
- Scheduled Due:** 01/06/2017
- Net Due:** 01/06/2017
- Accounting Date:**

The supplier address is: Nova Datacom LLC, 101 Executive Drive, Suite J, VA10032901, EVAAD276209, Sterling, VA 20166.

The "Payment Options" section includes:

- *Bank:** 1100
- *Account:** TR01
- *Method:** CHK (Check)
- Message:** Computer Upgrade
- Pay Group:**
- *Handling:** Regular Payments
- Hold Reason:**
- *Netting:** Not Applicable
- LIC ID:**
- Supplier Bank Messages:** Hold Payment, Separate Payment

At the bottom, there is a "Schedule Payment" section with "Action" (Schedule Payment) and "Pay" (Pay) dropdowns, and "Payment Date" and "Reference" input fields. A "Save" button is located below the "Schedule Payment" section. At the very bottom, there are "Return to Search", "Notify", "Refresh", "Add", and "Update/Display" buttons.

Click the image to enlarge

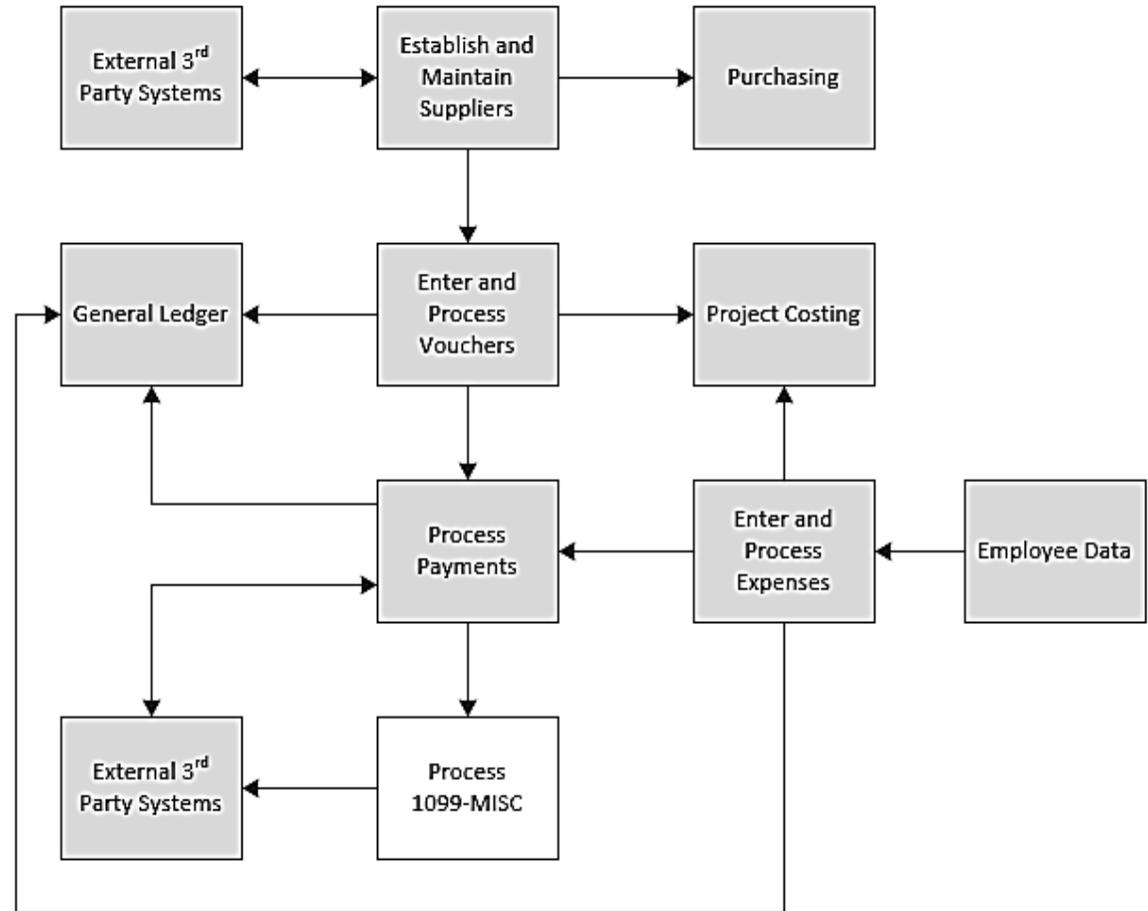


Process 1099-MISC

The 1099-MISC process (also called the withholding process) is used to generate information for the IRS about 1099-MISC reportable payments. 1099-MISC reportable payments are tracked throughout the year. At year end, those payments are reported via 1099-MISC forms to individual suppliers and via 1099-MISC file to the IRS.

Throughout the year, Cardinal Accounts Payable posts reportable transaction data for 1099-MISC supplier's to a withholding table. This nightly posting is automatic, based on the type of supplier configuration as well as type of payment.

1099-MISC data can be viewed at any time. Update 1099-MISC data if necessary any time during the year.





1099-MISC Reporting Overview

1099-MISC Reporting Overview:

- Cardinal uses the term “withholding” to refer to 1099-MISC reportable suppliers.
- In Cardinal, a Withholding (1099-MISC) Supplier is a supplier for which certain payments must be reported to the IRS on a 1099-MISC form. Cardinal may also identify a supplier as withholding if they are subject to back up withholding. The withholding status of the supplier is displayed on the **Supplier Summary** page.
- The Cardinal withholding tables are only populated if the supplier is set up as withholding and the type of payment requires reporting.
- Cardinal can generate the 1099-MISC forms that are sent to suppliers and the electronic 1099-MISC file that is sent to the IRS.
- Agencies may choose to generate an extract file out of Cardinal that contains all 1099-MISC reportable data to assist agencies with their review and preparation of the 1099-MISC forms and file.
- Few users have access to adjust the withholding amounts, process the forms, and file in Cardinal.
- Agencies have the ability to run a query in Cardinal to provide details.
- For more detailed information about 1099-MISC reporting, see the job aid entitled **SW AP312: 1099-MISC Processing** located on the Cardinal website in **Job Aids** under **Learning**.



Lesson 2: Checkpoint

Now is your opportunity to check your understanding of the course material.

Read the question on the next slide(s), select answer(s) and click **Submit** to see if you chose the correct response.



Which process below is NOT part of the Accounts Payable module?

- Establish and Maintain Vendor
- Enter and Process Vouchers
- Process Payments
- Process 1099
- Process Expenses

Procurement suppliers in Cardinal are interfaced from eVA.

- True
- False



Lesson 2: Summary

2

Accounts Payable Processes

In this lesson, you learned:

- Establish and Maintain Suppliers:
 - Cardinal uses one supplier table that is shared across all agencies.
 - Suppliers are either procurement suppliers or fiscal suppliers.
 - Fiscal suppliers are maintained in Cardinal centrally by the CVG.
 - Procurement suppliers are maintained in eVA by DGS and are interfaced into Cardinal.
 - Vouchers can be entered online or through an interface.
- Enter and Process Vouchers:
 - Vouchers can be entered online or through an interface.
- Process Payments:
 - Accounts Payable processes payments, both to suppliers (via vouchers) and agency employees (via cash advances and expense reports).



Lesson 2: Summary (continued)

2

Accounts Payable Processes

- Process 1099-MISC:
 - Cardinal identifies 1099-MISC reportable payments based on the withhold status and the types of supplier payments.
- Enter and Maintain Expense Transactions:
 - All expense reimbursements to agency employees are processed in the Expenses module.
 - All employee profiles must have a proxy assigned to them to enter, update, and view expense transactions.



Lesson 3: Introduction

3

Integration and Interfaces

This lesson covers the following topics:

- The Accounts Payable Functional Area
- Accounts Payable Processes
- Expense Processes



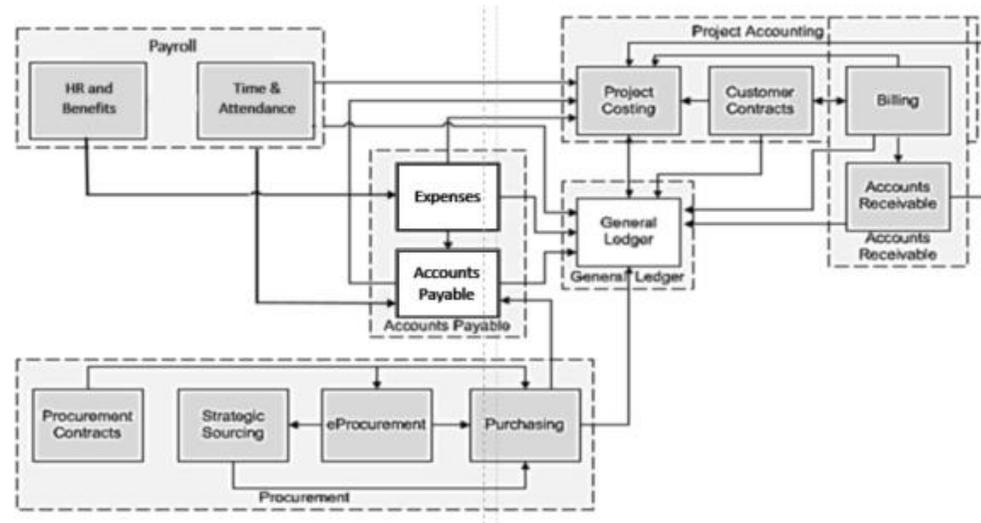
Accounts Payable Integration with General Ledger

Accounts Payable integrates with General Ledger by creating the accounting entries that General Ledger uses to create journal lines.

When vouchers and expenses are entered, information about how the voucher and expense is charged from an accounting perspective is entered also. Accounts Payable and Expenses use combination edits which check for valid combinations of ChartField values on vouchers and expenses. These edits are defined and maintained in the General Ledger.

The posting of vouchers, payments, and cash advance and expense report liabilities creates balanced accounting entries that are immediately available to the Journal Generator in the Accounts Payable Accounting Entry table. The Journal Generator process runs to create the journal lines in Cardinal General Ledger.

Budget checking against Commitment Control also uses General Ledger tables.





Procurement Integration

Supplier Records - Both Accounts Payable and Procurement share the same supplier table; for example, for use in Accounts Payable vouchers and in Procurement for purchase orders.

Purchase Orders and Receipts in Vouchers - Accounts Payable references Procurement purchase orders (PO) and/or receipt records when PO vouchers are created. Using the **Copy from a Source Document** functionality enables the ability to directly copy purchase order or receiver information onto the voucher used in Accounts Payable.

Matching - Accounts Payable also references purchase orders and/or receipts when performing the matching process, to ensure that these documents and the related vouchers are consistent.

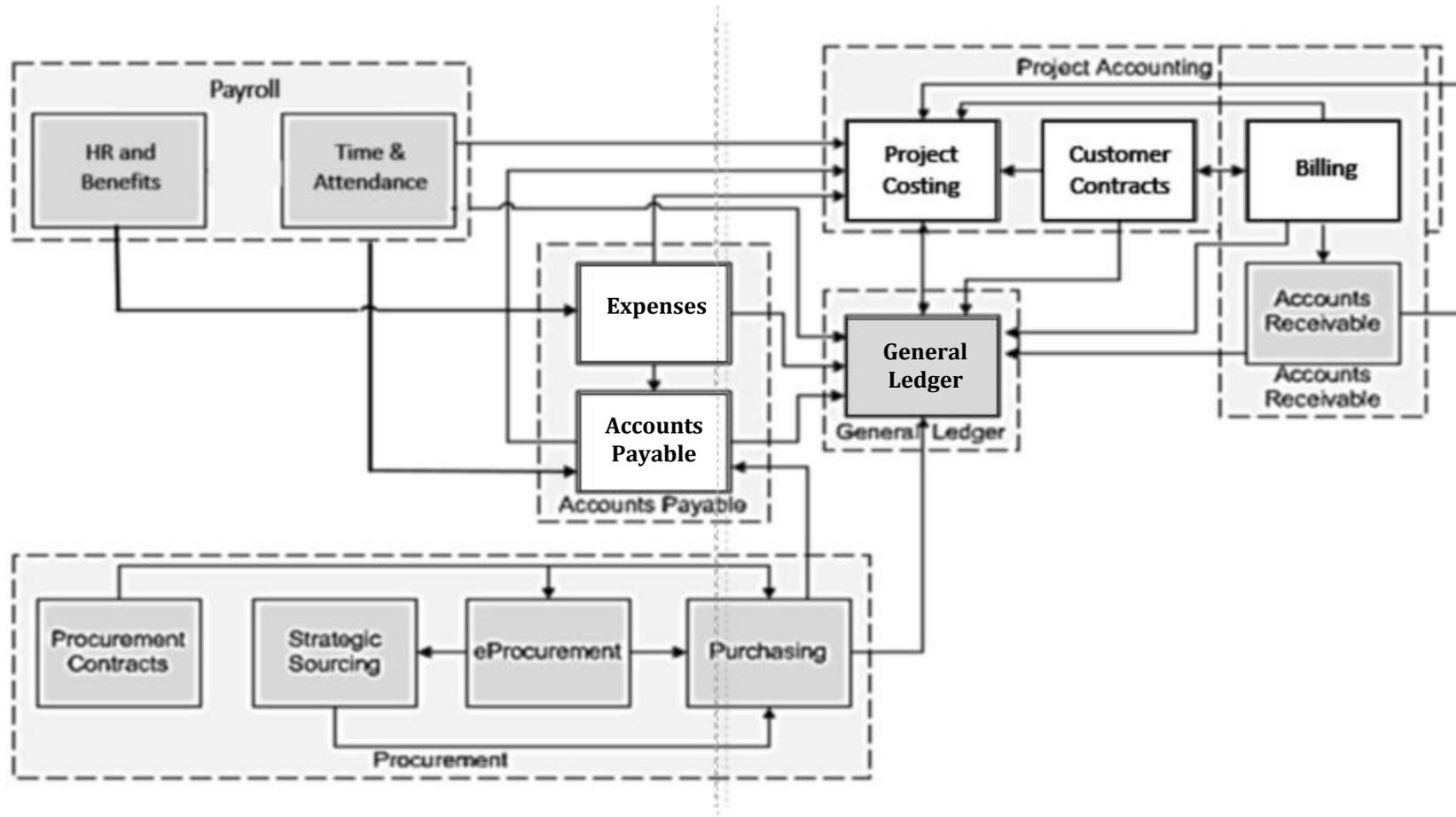
Contracts - Procurement is responsible for managing all contracts. Accounts Payable creates PO vouchers that relate to these contracts through POs.



Project Accounting Integration

Accounts Payable integrates with the Project Accounting functional area.

The Project Costing module in Project Accounting collects costs from Accounts Payable (voucher information) and Expenses when charges occur to a project.

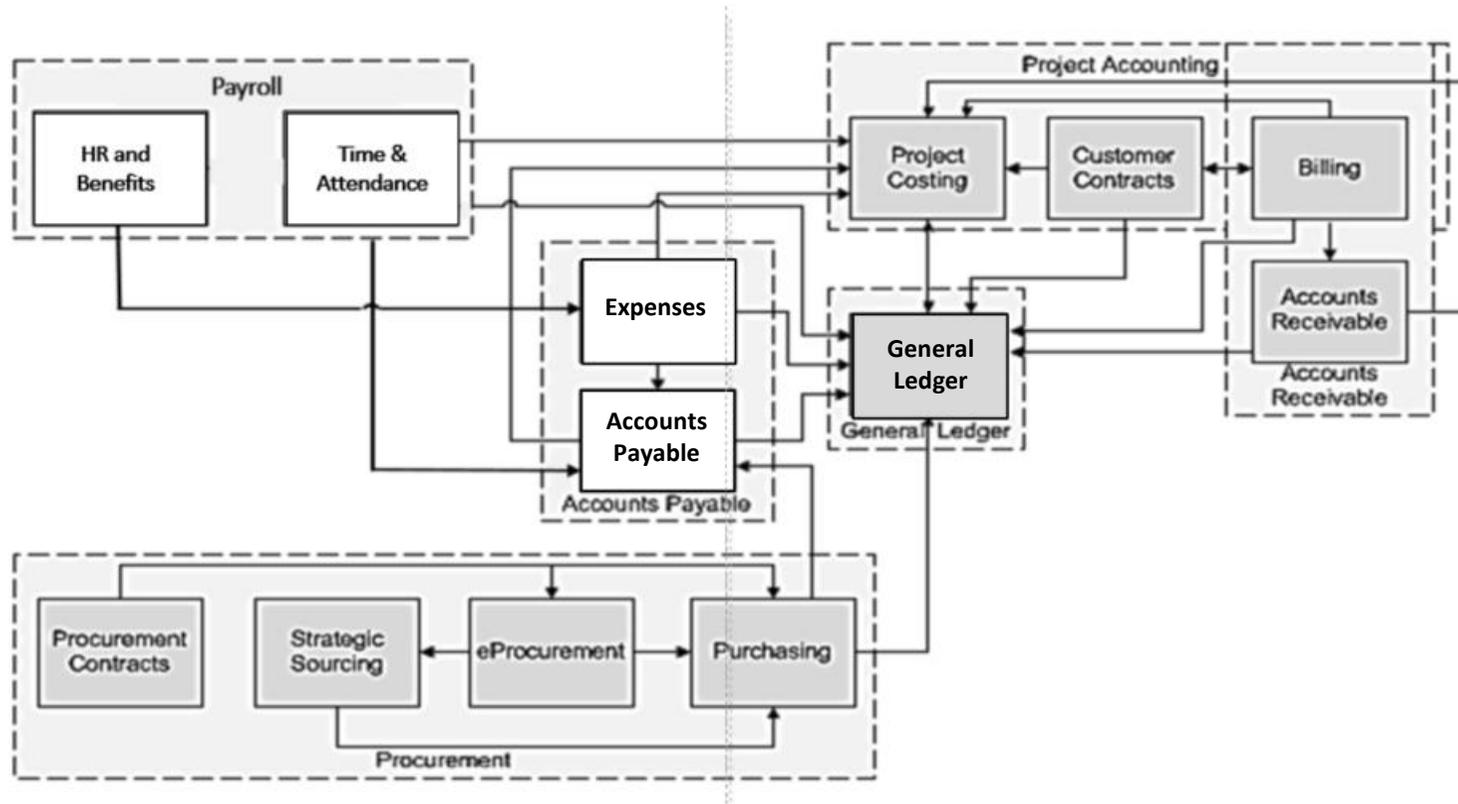




Accounts Payable Integration with Time and Attendance

Accounts Payable integrates with the Human Capital Management (HCM) module in the Time and Attendance functional area.

The HCM module sends employee information to the Expenses module. This information includes personal data in the employee profile that is used to complete travel authorizations, cash advances, and expense reports.

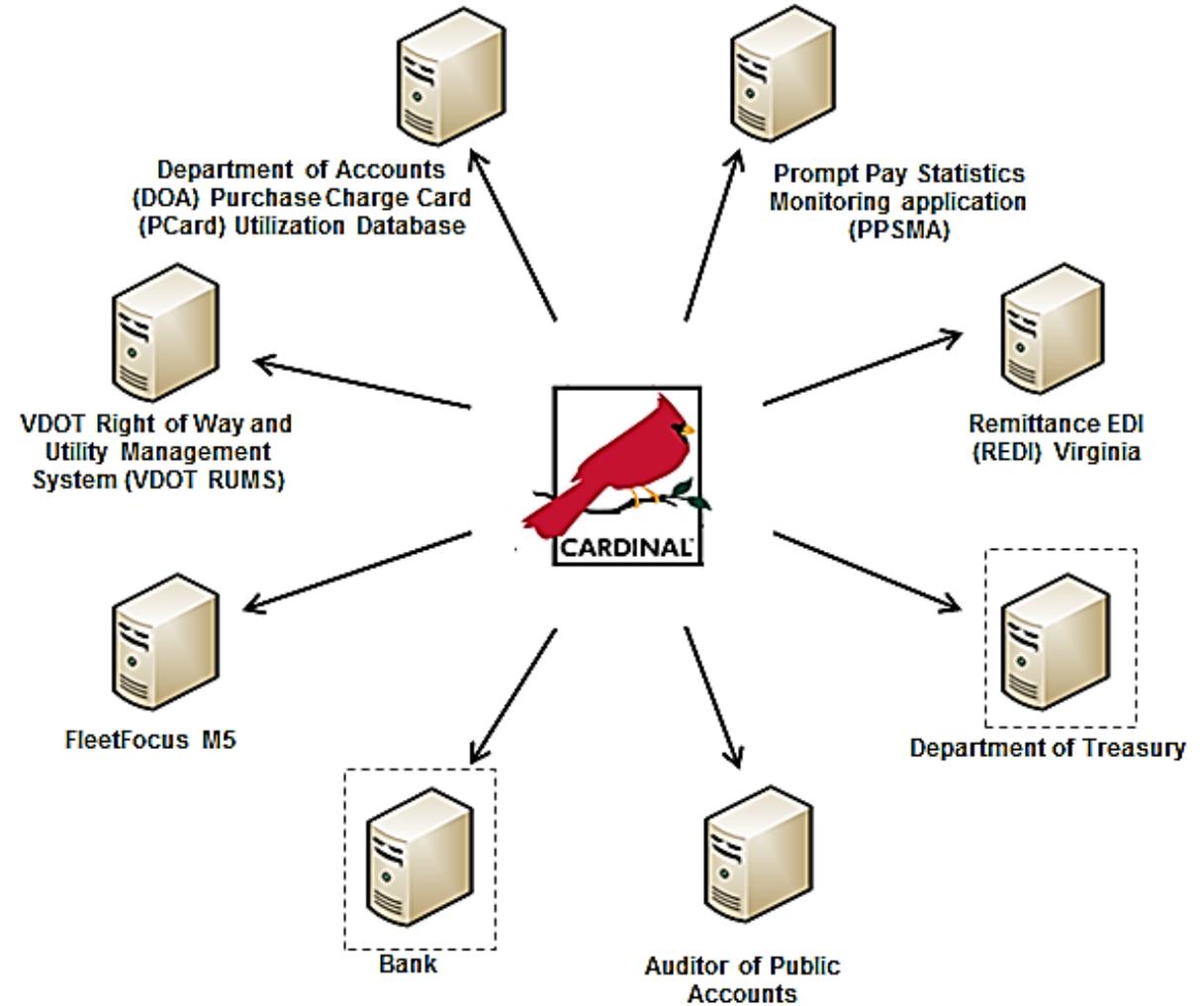




Interfaces

Accounts Payable also interfaces with other systems outside of Cardinal. This diagram shows the systems that Accounts Payable sends information to and receives information from.

Note: The boxes indicate systems within Virginia.gov while the boxes bordered with dashes represent the systems outside.





Interfaces (continued)

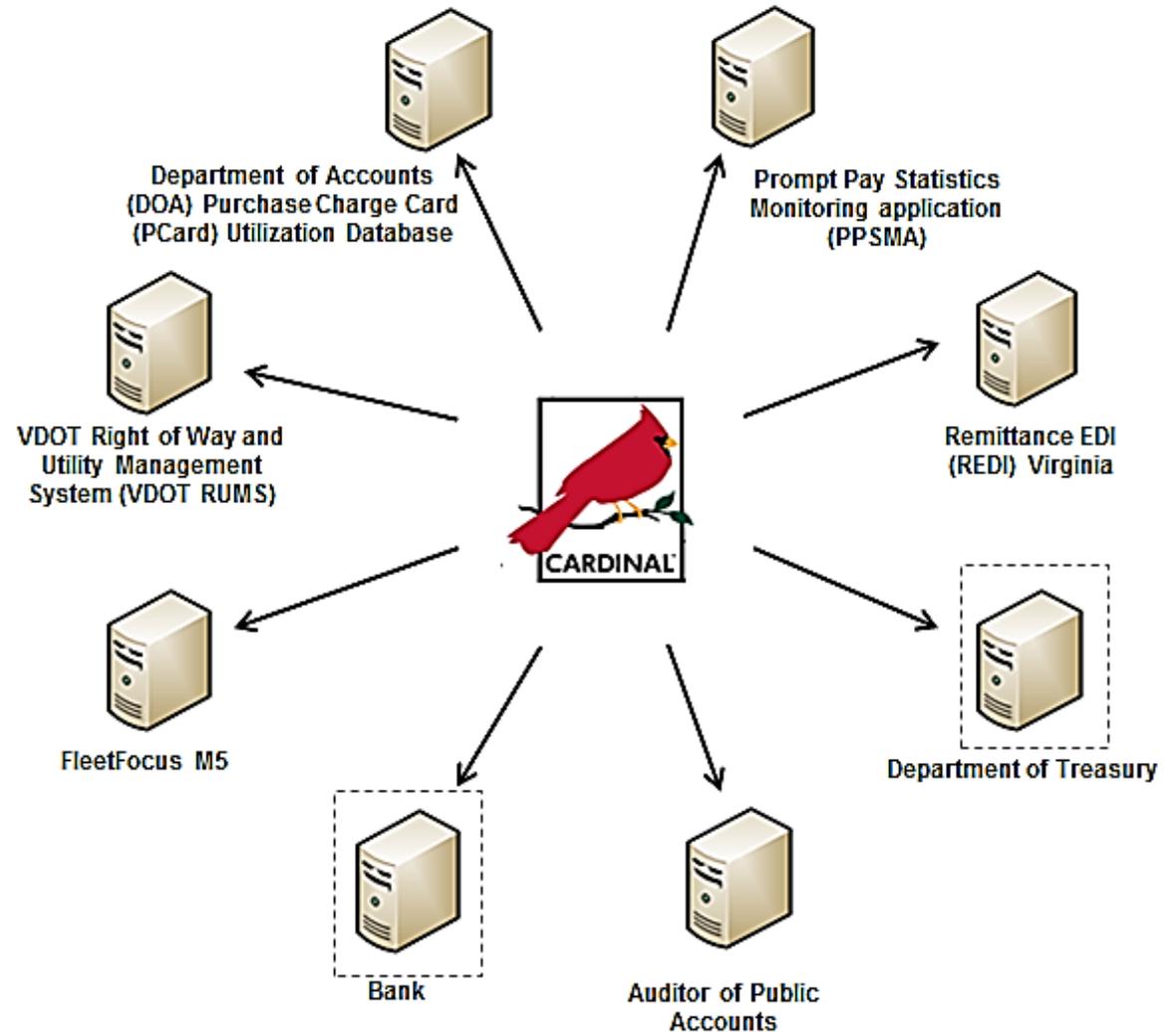
Department of Accounts (DOA) Small Purchase Charge Card (SPCC) Utilization Database - Payment data

VDOT Right of Way and Utility Management System (VDOT RUMS) - Payment information

Fleet Focus MS - Voucher and Purchasing data

Bank - Positive pay files and Electronic Data Interchange (EDI) Information

Auditor of Public Accounts (APA) Datapoint System - Payment information



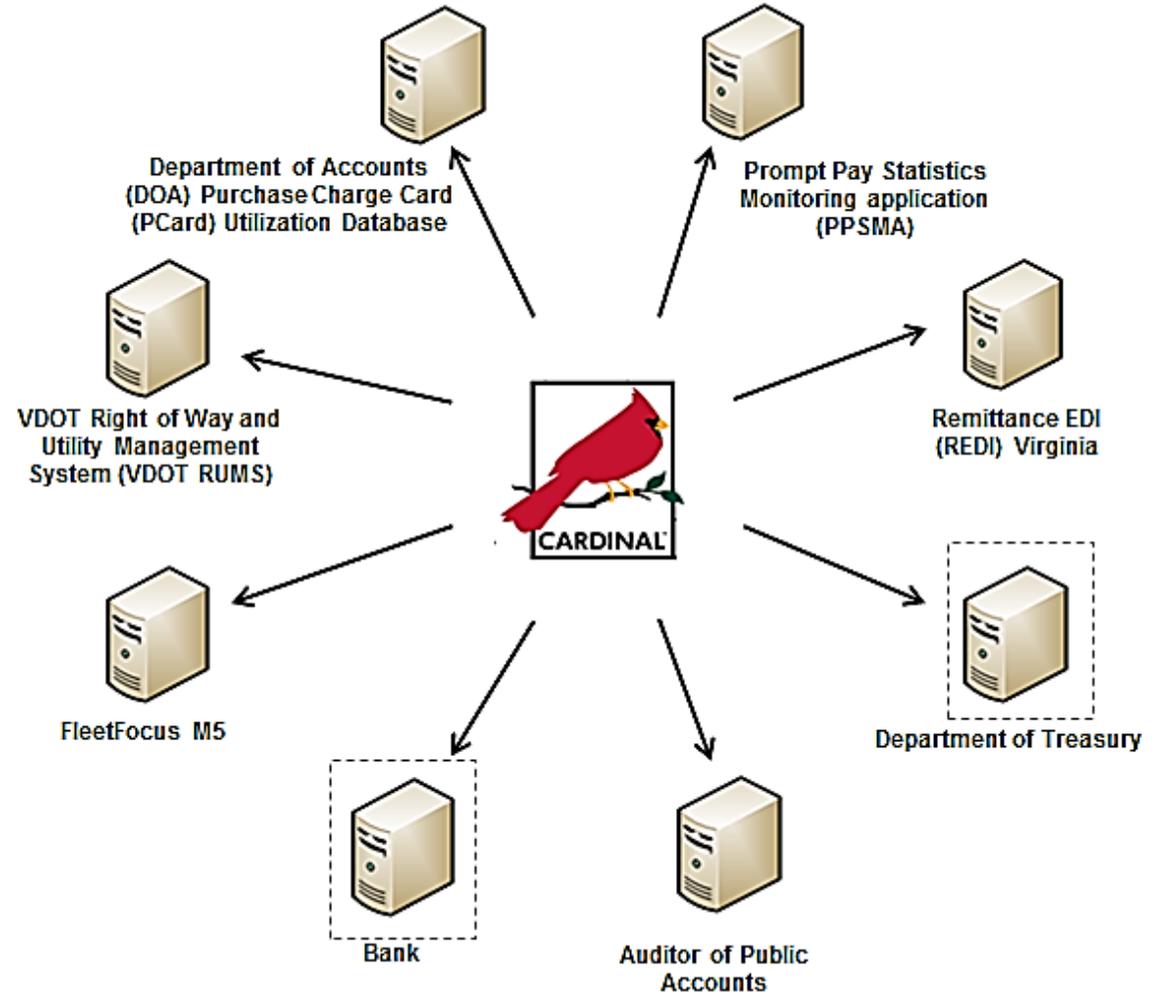


Interfaces (continued)

Department of Treasury - Information on checks that require printing, disbursement files for reconciliation and due diligence

Remittance EDI (REDI) Virginia - Remittance Information

Prompt Pay Statistics Monitoring Application (PPSMA) - Prompt pay files





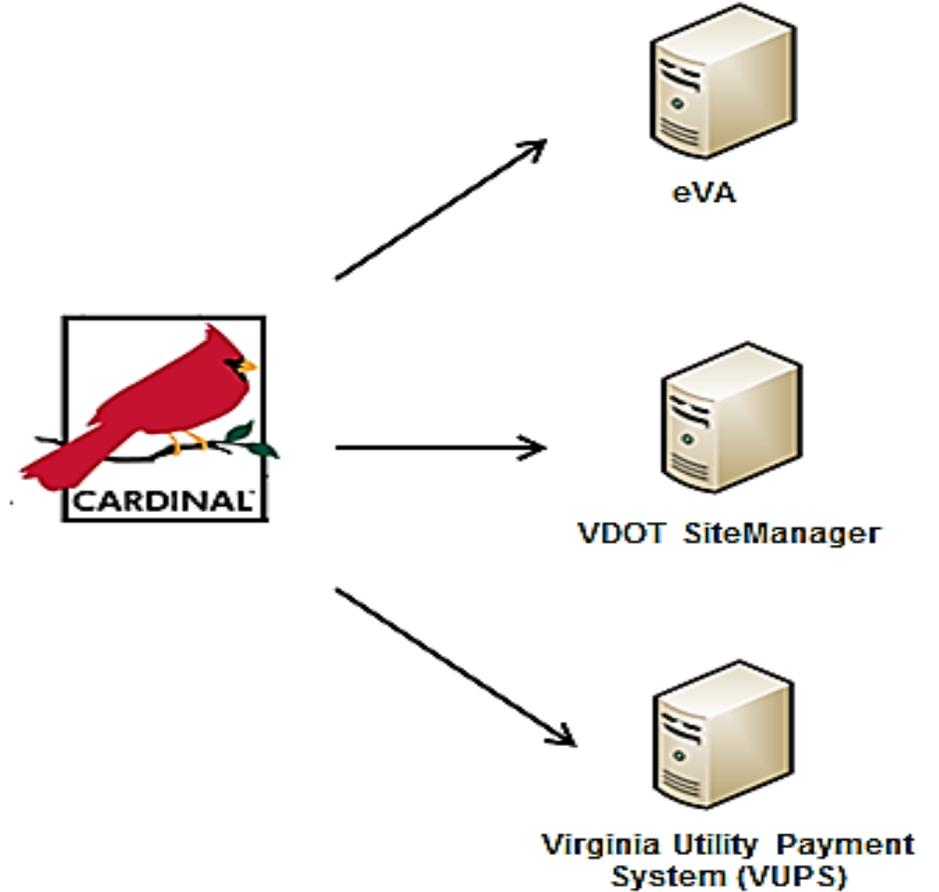
Interfaces (continued)

This diagram shows the systems that Accounts Payable receives information from.

Eva - Procurement supplier information

VDOT SiteManager - Construction and maintenance vouchers

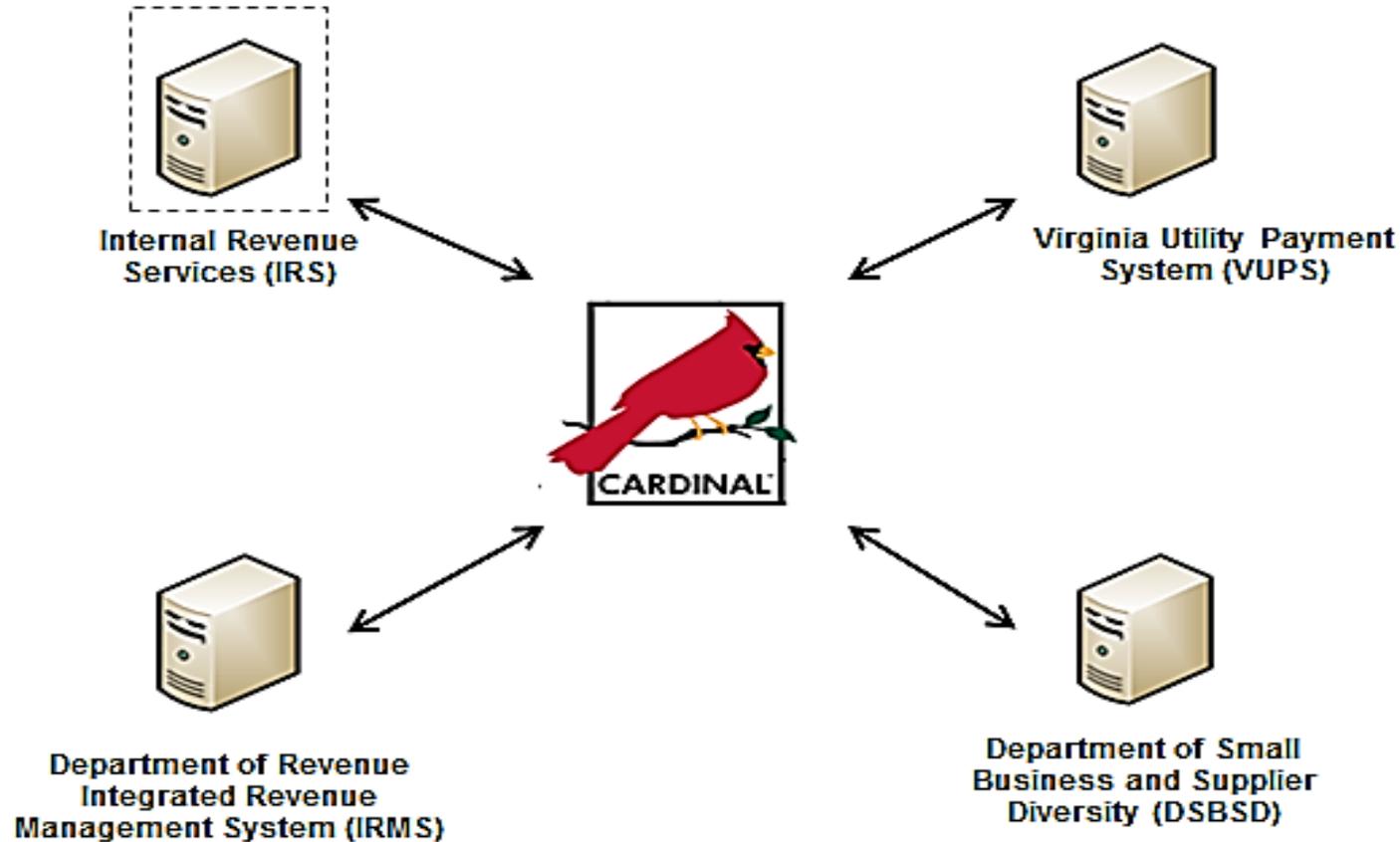
Virginia Utility Payment System (VUPS) - Utility billing file containing billed amounts by customer account





System Interfaces that Send To and Receive Data From Accounts Payable

This diagram shows the systems that Accounts Payable both sends information to and receives information from.





System Interfaces that Send To and Receive Data From Accounts Payable (continued)

Department of Revenue IRMS (Integrated Revenue Management System):

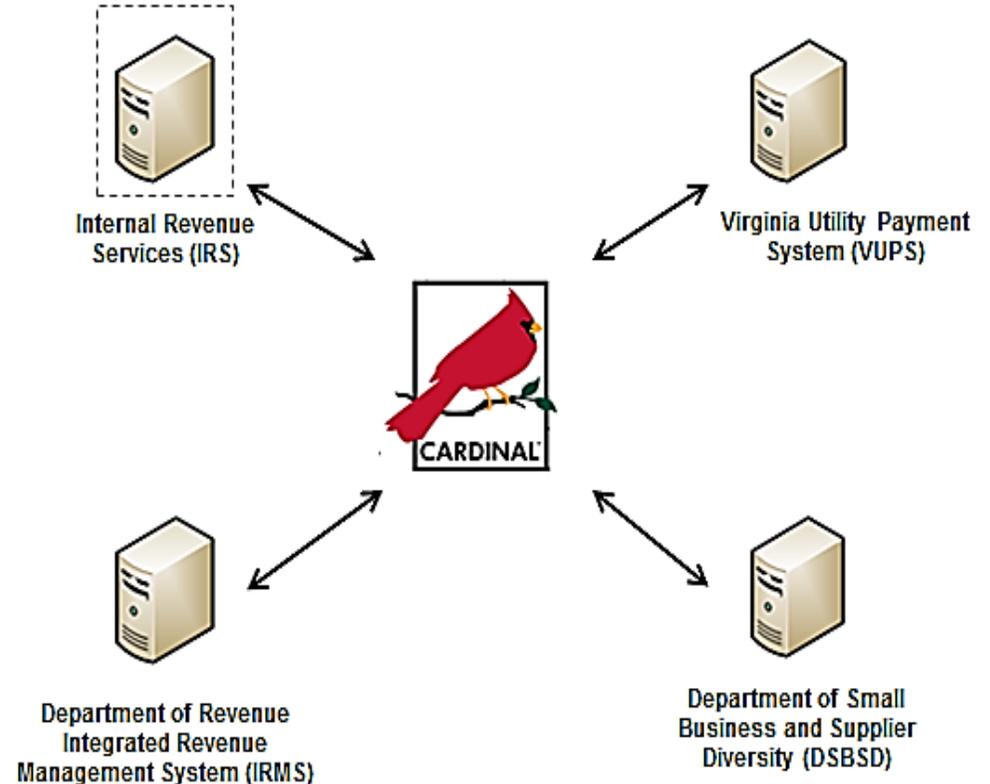
- Send payment information for CDS Processing
- Receive information about CDS Offset

Department of Small Business and Supplier Diversity (DSBSD):

- Send Small, Women, And Minority (SWAM) payment data extract
- Receive supplier certification data

Internal Revenue Services (IRS) Systems:

- Send TIN comparison requests and 1099-MISC reporting data
- Receive TIN comparison results
- Electronic Federal Tax Payment System (EFTPS) extract





Lesson 3: Checkpoint

Now is your opportunity to check your understanding of the course material.

Read the question on the next slide(s), select answer(s) and click **Submit** to see if you chose the correct response.



Accounts Payable interfaces with General Ledger by creating the accounting entries that General Ledger uses to create journal lines.

- True
- False

Accounts Payable interfaces with the Project Accounting functional area. In this interaction, the Project Costing module collects costs from the Accounts Payable module (voucher information) and the Expenses modules.

- True
- False

Accounts Payable interfaces with banks to send positive pay files and EDI information.

- True
- False



Lesson 3: Summary

3

Integration and Interfaces

In this lesson, you learned:

- The Accounts Payable functional area integrates with Cardinal General Ledger, Procurement, Project Accounting, and Time and Attendance.
- The Accounts Payable functional area interfaces with numerous other major systems, including agency systems, eVA, and Treasury.



Course Summary

AP110

Accounts Payable and Expenses Overview

In this course, you learned:

- Key Accounts Payable functional area concepts and terms
- Key concepts and processes in the Accounts Payable and Expenses modules
- Accounts Payables integration with other modules in Cardinal
- Accounts Payables interfaces with systems outside of Cardinal



Course Evaluation

Congratulations! You successfully completed the **501 AP110: Accounts Payable and Expenses Overview** course.

Click [here](#) to access the evaluation survey for this course.

Once you have completed and submitted the survey, close the survey window. To close the web based training course, click the **[X]** button in the upper right corner.





Appendix

- Key Terms
- Allowed Extensions on Attachments in Cardinal
- Diagrams and Screenshots
- Flowchart Key



Key Terms

Accounts Payable: The functional area that handles all Commonwealth of Virginia (COVA) payments and consists of two modules, the Accounts Payable module and the Expenses module.

Cash Advance: A request made by an employee for an advance on an anticipated expense.

Commitment Control: Enables the tracking or controlling of expenses against budgets and revenues against estimates.

Commonwealth Vendor Group (CVG): The central group that enters and maintains suppliers in Cardinal. Agencies will need to fill out the Vendor Maintenance Request form to request additions or updates to suppliers.

Contract: A document created and managed in the Procurement functional area that represents an agreement by COVA to purchase specified goods or services from a supplier under specified conditions.

Electronic Payment: Payments from EDI transmissions and EFT payment files.

ePayables: Process used to make supplier payments via virtual charge card. Bank of America processes the payments.



Key Terms (continued)

Expense Report: A report of expenses incurred by an employee. The report must include details of each expense. The details from the travel authorization (if applicable) can be copied into the expense report that was entered online. If a cash advance was provided, the employee applies the amount of the cash advance to the expense report.

Expenses: Any costs incurred by employees related to business and reimbursed to employees. These reimbursements can be for travel or non-travel related expenses.

Matching: An automated process that compares a voucher to its corresponding PO and/or receiving record, record to ensure that the quantities and dollar amounts are consistent. If the comparison fails, the system creates a Match Exception, which must be corrected before the voucher can be paid. Matching is controlled by a series of Match Rules, which may include Tolerances, that allow minor inconsistencies. Matching includes: Two-Way Matching, where the voucher and PO are compared; Three-Way Matching, where the voucher, PO, and receiving record are compared.

Payments: In Accounts Payable, this term refers to a payment to a supplier. Payments are created by Accounts Payable vouchers that represent invoices submitted by suppliers. Payments are also generated for employee Travel and Expense reimbursements. Payments may be generated in different forms.

PCard (Procurement Card): A card similar to a credit card used for purchases from certain suppliers without the need for PO. PCards are managed by the Procurement functional area.



Key Terms (continued)

Posting: Posting creates the accounting entries for vouchers, cash advances, expense reports, and payments. When an entry is free of errors, it can be posted.

Proxy: A user set up to access an employee's expense transaction. Each employee must have one or more proxies.

Purchase Order (PO): A commitment from an organization to a supplier to purchase goods or services from that supplier. It lists purchase information such as item, quantity, freight terms, shipping terms, payment terms, and shipping instructions, and is part of the contractual nature of the purchase order.

Tax Identification Number (TIN): A number issued by the Internal Revenue Service that identifies entities (both individuals and companies). Cardinal requires a TIN type (e.g., social security number, employer identification number, etc.) and number for every supplier entered.

Travel Authorization: A request made through Cardinal for permission to travel. In Cardinal, an authorization cannot be uploaded via interface. It can only be entered online and must be approved prior to travel.

Supplier: Any person or other entity that provides goods or services or receives refunds, including suppliers, federal, state, or local government entities and other fiscal payees. All procurement suppliers are interfaced from eVA to Cardinal. Non-procurement suppliers (also called Fiscal Payees) will be created directly in Cardinal. Employees are not suppliers for their own agencies.



Key Terms (continued)

Voucher: A record in Cardinal that represents an invoice from a supplier submitted for payment. Vouchers may be created online using the supplier's invoice as a resource, or created electronically (by uploading external files for example).

Withholding (1099-MISC) Vendor: A supplier for which amounts paid must be reported to the IRS on a 1099-MISC form and/or amounts withheld for taxes.

Workflow: A tool in Cardinal that routes a transaction electronically for approval via a worklist.



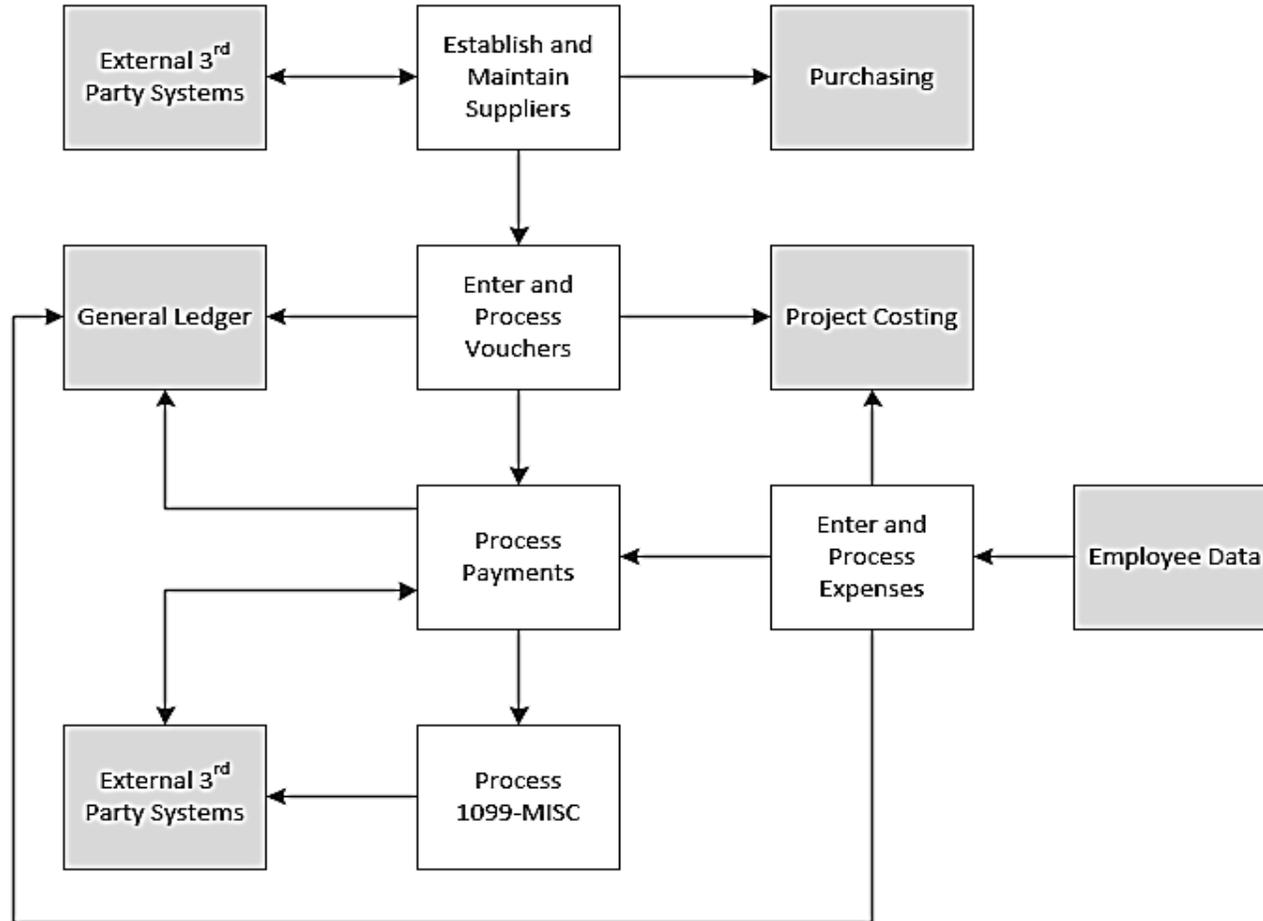
Allowed Extensions on Attachments in Cardinal

The following is a list of file extensions that are allowed on attachments uploaded to Cardinal. You should only attach key supporting documents that either enhance the electronic Cardinal transaction approval process or are instrumental as part of the transaction history. The Cardinal system should not be relied upon to maintain agency documentation and should not be considered the official retention source of the agency. Supporting documents, as required by all applicable regulatory/governing bodies, should be maintained by the agency apart from the Cardinal attachment functionality.

Allowed Extensions on Attachments in Cardinal		
.BMP	.CSV	.DOC
.DOCX	.JPE	.JPEG
.JPG	.MSG	.PDF
.PNG	.PST	.RTF
.TIF	.TIFF	.TXT
.XLS	.XLSX	.XML



Accounts Payable and Expenses Process



Click on image to return



Accounts Payable and Expenses Process Descriptions

Establish and Maintain Suppliers: Accounts Payable maintains supplier records in Cardinal. All procurement suppliers in Cardinal are interfaced from eVA. Non procurement suppliers are entered directly in Cardinal.

Enter and Process Vouchers: Vouchers are created in Accounts Payable for supplier invoices and related obligations. Vouchers can be created online in Accounts Payable or uploaded from other systems.

Expense Processing: The Expenses module enables employees to create travel authorizations, cash advance requests, and employee expense reports, which are approved and processed into payments to employees when required.

Process Payments: After vouchers are created and approved, they are processed into payments to be sent to suppliers either electronically or by check. The Accounts Payable module also processes payments to employees for the Expenses module.

Process 1099-MISC: Accounts Payable maintains records for 1099-MISC and withholding reporting and processes reports for suppliers and the IRS at the end of the year.



Payments Page

Favorites ▾ | Main Menu ▾ > Accounts Payable ▾ > Vouchers ▾ > Add/Update ▾ > Regular Entry | new window | Help | Personalize

Summary | Related Documents | Invoice Information | **Payments** | Voucher Attributes | Error Summary

Business Unit 50100 Invoice No 326912
Voucher ID 00635819 Invoice Date 12/02/2016
Voucher Style Regular Voucher
Total Amount 1,263.28 *Pay Terms 30 Net 30 [Schedule Payments](#)
Supplier Name Nova Datacom, LLC

Payment Information Find | View All First 1 of 1 Last

Payment 1

*Remit to 0000005269
Location MAIN
*Address 3

Gross Amount 1263.28 USD
Discount 0.00 USD
Scheduled Due 01/06/2017
Net Due 01/06/2017
Discount Due
Accounting Date

Payment Inquiry
Express Payment
Payment Comments(0)
Holiday/Currency

Nova Datacom LLC
101 Executive Drive
Suite J
VA10032901
EVAAD276209
Sterling, VA 20166

Payment Options

*Bank 1100 Pay Group
*Account TR01 *Handling Regular Payments
*Method CHK Check Hold Reason
Message Computer Upgrade
Message will appear on remittance advice.

*Netting Not Applicable
L/C ID
Supplier Bank Messages
 Hold Payment
 Separate Payment
Actions

Schedule Payment

*Action Schedule Payment
Pay
Payment Date
Reference

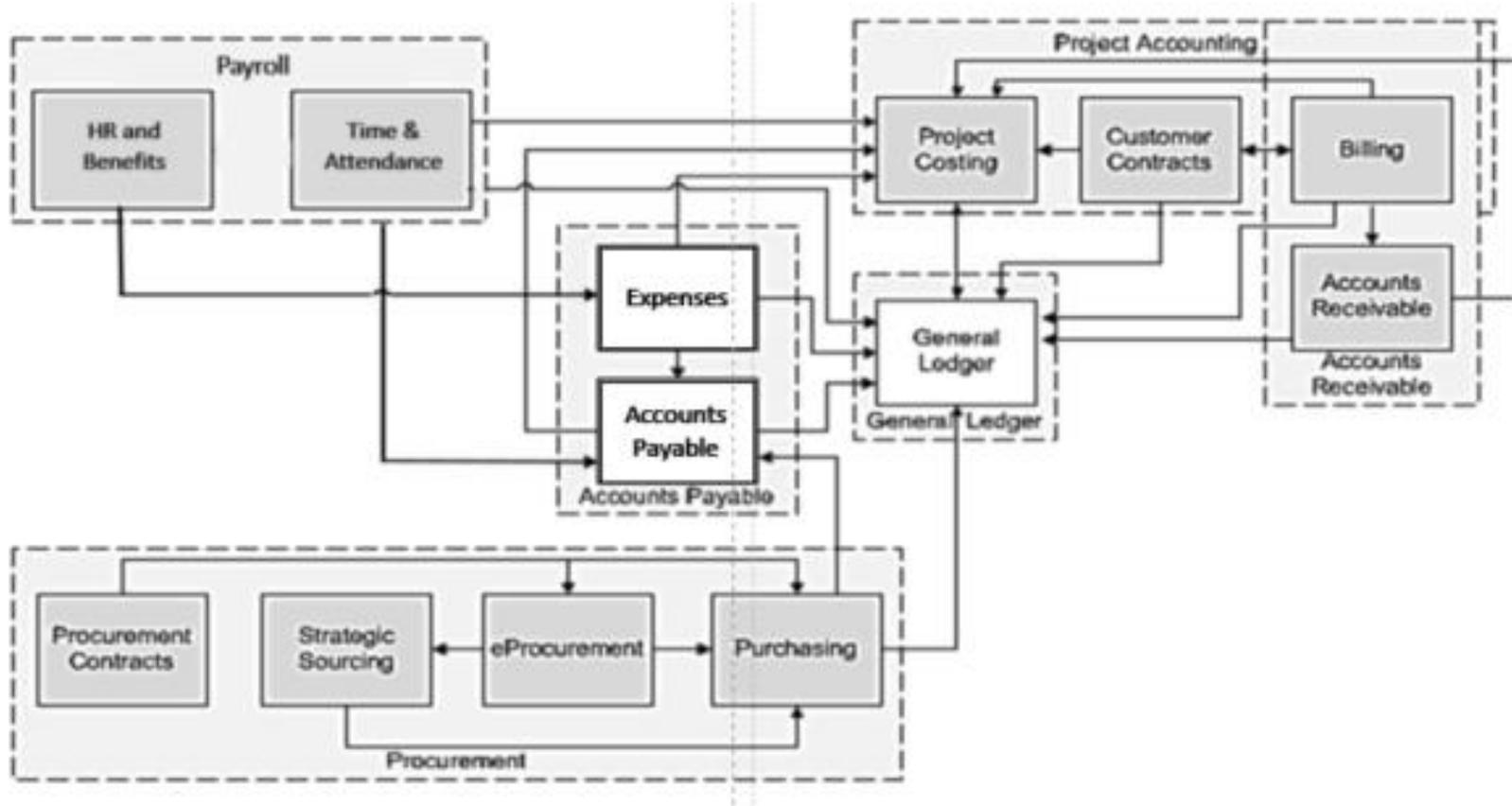
[Save](#)

[Return to Search](#) [Notify](#) [Refresh](#) [Add](#) [Update/Display](#)

Click on image
to return

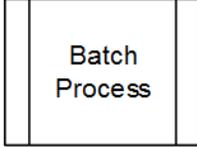
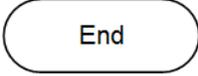
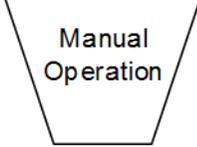
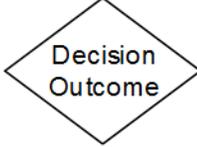
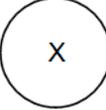
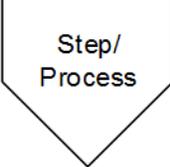


Accounts Payable Integration with General Ledger (continued)





Flowchart Key

	Depicts a process step or interface.		Indicates point at which the process begins. Does not represent any activity.
	Specifies a batch process.		Indicates point at which the process ends. Does not represent any activity.
	Depicts a process step that is preformed manually.		Depicts a document of any kind, either electronic or hard copy.
	Defines the possible outcomes of a decision or analysis that took place in a step immediately preceding.		Indicates an on-page or intra process connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page.
	Represents an entity (person, organization, etc.).		Connects steps between business processes.



End Of Appendix

Congratulations! You successfully completed the appendix section of **501 AP110: Cardinal Accounts Payable and Expenses Overview** course.

To close the web based training course, click the '**X**' button in the upper right corner.