

Accounts Payable-Vendor Partnership

Can we work together to pay you more quickly?

The City of Miami values its relationship with you, our supplier. Our Purchasing Department and Accounts Payable have designed this packet to show you how to help us pay your invoices quickly and in-line with our pre-arranged payment terms.

How will this packet benefit you?

By reading and using the techniques outlined within this packet, you might expect to see the following benefits.

1. More accurate, timely payments and reduced or eliminated late payments.
2. Improved communication between the City and your organization.

What's in this packet?

1. Frequently Asked Questions and their answers related to the City's invoice payment process.
 2. A sample invoice and a list of specific information needed to effectively pay your invoices as well as a sample Purchase Order showing the fields where some of this information can be found.
- These requirements are both process- and system-related to expedite the invoice payment process.

Need more info?

We appreciate your consideration of this material. Should you have any questions regarding the information in this packet, please send email to mbrown@miamigov.com.

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Frequently Asked Questions

1. Question – Why have we not received payment on a past-due invoice?

Answer - Common reasons for delayed payment include:

A. Reason: The invoice has not been received by Accounts Payable

Resolution:

1. Accounts Payable will ask the vendor for a copy of the invoice.
2. Once the invoice has been matched with all appropriate back-up material (e.g. a receipt **of goods**, valid purchase order, etc.) the payment should be processed.

B. Reason: The invoice is missing information or contains inaccurate information.

Resolution:

1. Accounts Payable will attempt to obtain missing information or correct the inaccurate information.
2. If attempts to gather the required information are not successful, Accounts Payable may return the invoice to the vendor for clarification. See the attached invoice template and invoice requirements for more information.

C. Reason: The invoice price does not match the pre-negotiated price on the Purchase Order.

Resolution:

1. Accounts Payable will contact the appropriate buyer to determine which price is accurate based on set blanket order pricing or vendor quotation.
2. If the Purchase Order price is accurate (and the invoiced amount is inaccurate), the invoice total will be adjusted to reflect Purchase Order pricing.
3. If the invoice amount is accurate (and the Purchase Order price is inaccurate), the payment will be issued for the amount specified on the invoice after the Purchase Order is adjusted accordingly.

D. Reason: The invoice is not approved by an authorized representative.

Resolution:

1. If an invoice has been routed for an approval but approval has not been obtained within a specified time frame, the invoice will be assigned to an Accounts Payable resolution team member for further investigation.

NOTE: Every invoice should reference a Purchase Order Number. If no Purchase Order Number is referenced on the invoice, the name of the department or individual who has ordered the merchandise should be provided to avoid delayed payment resulting from approver identification issues.

E. Reason: Issues when receiving goods, including:

1. Reason: The ordered material wasn't delivered to the correct location.

Resolution:

- a) Accounts Payable will request that the vendor supply a proof of delivery.
- b) Based on information provided on the proof of delivery, an Accounts Payable Representative will determine the location to which the material was delivered and provide that information to the receiving department.
- c) The receiving department will verify the receipt of the goods and process a receipt, which will facilitate the payment process.

2. Reason: The quantity of goods received does not match the quantity of goods invoiced.

Resolution:

a) Accounts Payable will contact the receiving department for verification of the quantity received and perhaps request proof of delivery from vendor to justify the invoiced quantity.

b) If the invoiced quantity is inaccurate, the receiving department will authorize Accounts Payable to pay only the amount associated with the correct amount of received goods.

c) If there was an error by the staff in receipting for the goods, the receipt of goods will be adjusted to reflect the correct amount and payment will be processed accordingly.

3. Reason: Delays in the routing of the packing list/shipping documents from outlying (remote) locations to the main inventory (receipting) location.

Resolution:

a) Because material is sometimes delivered directly to a job site instead of the receiving department, it is important that all invoices specifically outline the location to which the goods are shipped as well as the name of the contact, if available. This will ensure that, if the necessary paperwork is not forwarded properly, Accounts Payable can provide that information to the receiving department.

b) The receiving department will verify the receipt of goods at the "remote" location and process a receipt, which will facilitate the payment process.

4. Reason: The shipment is lost, damaged or incorrect.

Resolution:

a) If incorrect material is received, the receiving department will contact the vendor and return items in accordance with the City and the supplier's return instructions.

b) If a shipment is lost or damaged and the shipping terms indicate the responsibility belongs to the City, we will acknowledge the receipt of the goods and initiate a freight claim with the carrier. Once the receiving department enters a receipt for the goods, the payment process will continue. If responsibility belongs to the shipper, payment will be delayed until the replacement shipment is received.

5. Reason: Material is shipped against a cancelled or expired Purchase Order.

Resolution:

a) If an order has been placed against a canceled or expired Purchase Order, Accounts Payable will contact the receiving department to determine whether the material will be accepted or returned to the vendor.

b) If the order is accepted, the receiving department will contact the appropriate buyer to issue a replacement Purchase Order or will approve the payment of the invoice by treating it as a "non-PO" order (generally only done under specific circumstances). In either event, the payment to the vendor will be issued as appropriate.

c) If it is determined that the shipment made against the invalid Purchase Order will not be accepted, the receiving department must return the items to the supplier and request a credit from the vendor.

2. Question – Why did we deduct sales tax from your payment?

Answer – The City of Miami is a tax-exempt entity who pays sales tax directly to the state and/or locality. The City of Miami will not pay sales tax to its vendors (even though the invoice might include sales tax). See appendix B for the City's tax-exempt certificate.

3. Question – Why did the City short-pay my invoice?

Answer– If the short pay was not related to City's "direct pay" arrangement (as described in Question 2), the short payment could have been the result of a discrepancy between the invoiced price and the pre-arranged price outlined in the original Purchase Order. In that case, Accounts Payable will contact the appropriate buyer to investigate the discrepancy. To resolve this issue, the Purchase Order would have to be revised to reflect the correct price or the buyer would advise Accounts Payable to short pay the invoice.

4. Question – Why did we deduct freight charges from the payment?

Answer – When the Purchase Order is initiated it outlines the Free On Board (FOB) and other shipping terms. If the vendor does not follow the terms outlined on the Purchase Order, the City's buyer may advise Accounts Payable to deduct all non-approved freight charges from the payment. If a "collect" freight bill was already paid directly to the carrier by the City for a particular shipment, the buyer also may advise Accounts Payable to deduct any added freight charges for that shipment.

5. Question – Who can I contact to check the status of a payment?

Answer – All telephone inquiries should be directed to the appropriate Accounts Payable staff. In the event our Accounts Payable Staff cannot provide payment information, we will redirect the inquiry for investigation and resolution.

6. Question – How can I view my payments through the iSupplier Portal?

Answer – Payments can be viewed by logging into the Purchasing Department's website at www.miamigov.com/procurement Click on Supplier Information and then on iSupplier Login. You will need to enter your username and password. Then click on Supplier Portal and choose the tab on the far right entitled "Account". You can view your payments by searching under Invoice Number or Purchase Order number. Your screen should look like this:

The screenshot shows the iSupplier Portal interface. At the top, there is a navigation bar with tabs for Home, Orders, Shipments, Account, and Admin. Below this is a search section titled "Simple Search" with various input fields for filtering invoices. A table of invoices is displayed below the search form, showing details for three invoices. The table has columns for Invoice Number, Description, Invoice Date, PO Number, Currency, Gross Amount, Amount Due, Due Date, Status, Payment Number, Discount Date, Available Discount, Packing Slip, and Type. The bottom of the page includes a copyright notice and a Privacy Statement link.

Invoice Number	Description	Invoice Date	PO Number	Currency	Gross Amount	Amount Due	Due Date	Status	Payment Number	Discount Date	Available Discount	Packing Slip	Type
119075		14-Jan-2008	81679	USD	408.00	0.00	13-Feb-2008	Approved	1039533 - Check				Standard
118906		28-Dec-2007	81679	USD	2,052.00	0.00	27-Jan-2008	Approved	1039533 - Check				Standard
118869		21-Dec-2007	81679	USD	1,728.00	0.00	20-Jan-2008	Approved	1039533 - Check				Standard

Note: If your company is not registered in the iSupplier Portal, then you will have to register by going to www.miamigov.com/procurement and clicking on Supplier Information and then on Supplier Registration. If you are not sure if your company is registered, please call the Purchasing Department at (305) 416-1922.

Sample Invoice

The following is an example of an invoice that meets all of the needs of our Accounts Payable process. Although your company might not be able to duplicate this exact invoice format, it is intended to illustrate an example of an invoice that should progress through our payment process in the most effective and timely manner. We understand it can be difficult to modify an invoice format, but the closer the invoice comes to including the information outlined in this example, the quicker your invoice should be paid.

Your Company Name				INVOICE	
<i>Your Company Slogan</i>				DATE 1/1/2000	
Address City, State ZIP Phone 123.456.7890 Fax 123.456.7891				INVOICE 100	
Bill To: Name Company Address City, State ZIP Phone			Ship To: Name Company Address City, State ZIP Phone		
Comments or Special Instructions:					
ACCT NUMBER	P.O. NUMBER	SHIP DATE	SHIP VIA	F.O.B.	PAY TERMS
QUANTITY	UP	DESCRIPTION	UNIT PRICE	AMOUNT	
		Supplier Catalog ID Customer Catalog ID		\$ -	
Remit to:				SUBTOTAL	\$ -
				SALES TAX	
				SHIPPING & HANDLING	
				OTHER CHARGES	
				TOTAL	\$ -
Make all checks payable to Your Company Name If you have any questions concerning this invoice, contact Name, Phone Number, Email					
THANK YOU FOR YOUR BUSINESS!					

Explanation of Sample Invoice Fields


We understand that suppliers have their own invoice format. The suggestions shown on the invoice template and in the definitions below are made with our unique requirements in mind, to improve the efficiency of our invoice processing. Please note that when invoice information is missing, illegible, or inaccurate the payment process can be significantly lengthened.

FIELD	DESCRIPTION
Invoice & Date	Invoice numbers are used to match invoices to specific payments. The date field is used to specify the creation date of the invoice.
Bill to	This information is provided on the PO and reflect AP's mailing address.
Ship to	This is the address where goods and services are delivered
Account Number	This is required if AP has to contact the vendor
P.O. Number	This field must contain the entire valid PO number as well as the release
Ship Date	This field is helpful to match invoices to a receipt
Ship Via/FOB	This is used by Procurement to determine whether the PO shipping terms are being adhered to and whether freight charges should be paid
Payment terms	Payment terms are designated on the purchase order and the supplier should contact Procurement if unable to accept PO payment terms
Quantity	AP uses this information to match invoiced quantity received to determine whether items are on backorder
Description	This information is used to determine exactly which items were received. It also can be used to ensure that the items received match those on the PO

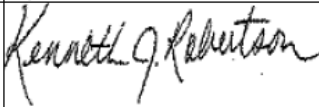
Sample Purchase Order

Included in this packet is a sample Purchase Order that can be referenced to better identify information that should be pulled from the Purchase Order to populate invoices sent to Accounts Payable for payment.

Visit our website for business opportunities at: www.ci.miami.fl.us/procurement

	City of Miami Purchase Order Department of Purchasing P.O. Box 330708 Miami, Florida 33233-0708 (305) 416-1900/1922 FAX (305) 416-1925		PURCHASE ORDER/RELEASE NUMBER 1101100 <small>Show this number on all packages, invoices, and shipping papers.</small>		Change Number 0	Change Date
	Taxpayer ID 130794380		Supplier No. 1493	Telephone No.	Page No. 1 of 2	Order Date 11/18/2010
Supplier	Graybar Electric, Inc. 2125 NW 22nd Avenue Miami, FL 33142		Ship To	City of Miami - MPD Administration Division 400 NW 2nd Ave 4th Floor Miami, FL 33128		
	Customer Account Number			Bill To	City of Miami - Finance - General Accounting 444 SW 2nd Ave, 6th Floor Miami, FL 33130	
Effective Start Date		Effective End Date			Total Agreement Limit	

Line	Commodity Code	Description/Delivery Date	Qty	Unit	Unit Price	Extended Price
1	91438-00	Conduit Connector, SADDLEGRIP, Single Screw, With Insulated Throat, 3/8 in., 1/2 in. KO, Cable Range 0.405 to 0.612 in., End Stop Diameter 0.4 in., For Aluminum and Steel Flex, AC, MC and MCI-A Cable, Zinc Die Cast, 1.09 L x 1.077 in. W, 50 Manufacturer Part Number: 94038298 Delivery Date: 06-DEC-10	400	Each	0.70	280.00
2	91438-00	90 deg Conduit Connectors, Material Zinc, 1/2 in Manufacturer Part Number: 88032183 Delivery Date: 06-DEC-10	50	Each	0.59	29.50
Total Amount:						309.50

FOB: Destination	Requisition Number: 61973	Vendor Instructions 1. Florida Tax Exempt ID: 85-8012740125C-1 2. Invoices: Direct Invoices in Duplicate to the address shown above. 3. Terms and conditions set forth in our Bid or Quotation and on the reverse side hereof are incorporated herein by reference become part of this order	
Ship Via:	Department: 191501 - Police-Administration Division	Contact Person: Hernandez, Carlos A	
Payment Terms: Net 30	Telephone Number: (305) 603-6185		
		11/18/2010 Date Approved	
C FN/PC 506 Rev. 12/05			

Tax-exempt Certificate



Consumer's Certificate of Exemption

Issued Pursuant to Chapter 212, Florida Statutes

DR-14
R. 04/05
09/26/07

85-8012740125C-1	10/30/2007	10/31/2012	MUNICIPAL GOVERNMENT
Certificate Number	Effective Date	Expiration Date	Exemption Category

This certifies that

CITY OF MIAMI
444 SW 2ND AVE
MIAMI, FL 33130-1910



is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.



Important Information for Exempt Organizations

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R. 04/05

1. You must provide all vendors and suppliers with an exemption certificate before making tax-exempt purchases. See Rule 12A-1.038, Florida Administrative Code (FAC).
2. Your *Consumer's Certificate of Exemption* is to be used solely by your organization for your organization's customary nonprofit activities.
3. Purchases made by an individual on behalf of the organization are taxable, even if the individual will be reimbursed by the organization.
4. This exemption applies only to purchases your organization makes. The sale or lease to others by your organization of tangible personal property, sleeping accommodations or other real property is taxable. Your organization must register, and collect and remit sales and use tax on such taxable transactions. Note: Churches are exempt from this requirement except when they are the lessor of real property (Rule 12A-1.070, FAC).
5. It is a criminal offense to fraudulently present this certificate to evade the payment of sales tax. Under no circumstances should this certificate be used for the personal benefit of any individual. Violators will be liable for payment of the sales tax plus a penalty of 200% of the tax, and may be subject to conviction of a third degree felony. Any violation will necessitate the revocation of this certificate.
6. If you have questions regarding your exemption certificate, please contact the Exemption Unit of Central Registration at 850-487-4130. The mailing address is PO BOX 6480, Tallahassee, FL 32314-6480.