



# Materials Distributions Services (MDS) Vendor Payment and Customer Billing

Procedure #: 610.3

Rev.: 0

Effective Date: September 1, 2018

**Related Policy:** [MDS Policy](#)

**Functional Owner:** Materials Distribution Services, Division of Business Services

**Contact:** Financial Program Supervisor: (608) 497-4403  
dan.purcell@wisc.edu

## Contents

- I. Procedure Statement
- II. Who is Affected by This Procedure
- III. Procedure
- IV. Contact Roles and Responsibilities
- V. Related References
- VI. Revisions

### I. Procedure Statement

Material Distribution Services (MDS) Accounting and Finance staff process vendor payment requests weekly and post purchases to the university departments and related funding monthly. Reconciliations of the related accounts, including "Cash", are prepared monthly. All reconciliations have a secondary review for completeness and accuracy performed and evidenced.

### II. Who is Affected by This Procedure

MDS personnel

### III. Procedure

- A. **Vendor payments:** Payment request processing is completed by an MDS Financial Specialist Senior (FSS) using JAGGAER, Great Plains, Crystal Reports, Access and Excel.
  1. When an account holder completes a purchase, JAGGAER, as part of the Shop@UW program, creates a Purchase Order (P.O.) containing all information relevant to the purchase (purchaser name, items purchased, price quoted, etc.). One copy is sent to the vendor to initiate the fulfillment process and another copy is maintained within JAGGAER.
  2. When the purchase is shipped, the vendor prepares an invoice and submits the invoice to MDS through JAGGAER. During this process JAGGAER matches invoices to P.O.'s to determine validity of invoice. Once an invoice passes edit checks, in JAGGAER, it is passed to the ERP system (Great Plains). A custom written software routine is auto-scheduled to move invoices from JAGGAER to Great Plains temp tables nightly. Invoices are batched together for loading into Great Plains. Airgas invoices are consolidated in to their own batch and all other Shop@UW vendors are combined in a separate batch (University Bookstore invoices are manually received from the Bookstore, outside of JAGGAER, and combined into their own batch). As part of the nightly batching process, an automated email containing batch totals is sent to the MDS Accounting inbox. The emails are verified against Great Plains batch totals before daily Shop@UW sales batches are posted.

3. Weekly, the MDS Financial Specialist Senior (FSS) runs a Crystal Reports routine to extract invoices to be paid from Great Plains, and enters the results into an Access database. A function in the Access database allows a report to be produced to identify potential duplicate invoices. Potential duplicate invoices are verified by the FSS and corrective action taken, as needed.
  4. The FSS copies payment information in to an upload spreadsheet created by central Accounts Payable and emails it to Accounts Payable for payment.
  5. FSS imports payments made to the Access database and verifies posting of payments to Great Plains. This is then re-imported to Access and analyzed to have an accurate record of invoices paid and to prevent duplicate payments in the future.
- B. **Posting Customer Billings (Purchases) and Reconciliation:** The MDS Associate Accountant posts customer billings to the funding strings in Wisconsin Data Mart (WISDM) for PeopleSoft Financials and general ledger accounts in Great Plains. This process uses the Pre – Allocation Tool (PAT) to download purchase information from Great Plains tables in a very specific format so that it can be loaded in to the Journal Entry Tool (JET) for billing. Once the billing is complete in JET, a separate file from PAT is used to create custom macros in Great Plains to apply payments against customer accounts.
1. The Associate Accountant accesses the PAT three business days after month end and locks the files. This prevents account holders from changing funding strings during the process. User access is controlled by user name and password.
  2. The option to extract JET files is selected, from PAT, by the Associate Accountant. An automated routine extracts sales information from Shop@UW and creates a .txt (text) file to be loaded in to JET and a .csv (comma separated values) file to be used in creating custom macros in Great Plains. Each file contains the same information only in different formats. Files are saved to a MDS network drive.
  3. JET is used to open text files and automatically validate funding strings. Invalid strings are rejected and the Associate Accountant manually posts to a clearing account. Clearing Account items are tracked by each University campus unit, researched and correctly reallocated prior to the following month posting. Billings are posted to WISDM.
  4. The Associate Accountant manually inputs the amounts posted to WISDM (from step 3) into an Excel spreadsheet.
  5. The Associated Accountant mail merges information from the JET.csv files into Great Plains macros, which posts activity to the Great Plains system. Great Plains provides batch totals for amounts posted through the macros.
  6. Batch totals from step 5 are copied to the Excel spreadsheet and compared with the postings to WISDM to verify completeness and accuracy of posting to each system. A secondary review is performed on this reconciliation by another member of MDS Accounting.
  7. After posting process is complete the Associate Accountant emails campuses/divisions/ departments requesting corrected funding string for any rejects identified. Once the correct funding string is received, a reallocation entry is made. The Associate Accountant escalates request for correct funding string to the next level in the department / division if a response has not been received prior to the next month's posting.
- C. **Cash Reconciliation:** Monthly the MDS Accountant prepares a reconciliation of the MDS and Great Plains cash account to identify any mis-postings during vendor payment or customer billing postings.

#### IV. Contact Roles and Responsibilities

---

- A. **Financial Specialist Senior (FSS):** Responsible for accumulation, preparation and submission of request to pay vendor invoices for sales through Shop@UW.

- B. **Associate Accountant:** Responsible for posting purchases to the correct funding strings in WISDM and verifying the same amounts get posted to both WISDM and Great Plains.
- C. **Accountant:** Responsible for reconciling cash account from Great Plains to WISDM.
- D. **Financial Program Supervisor (FPS):** Responsible for overseeing and supervising MDS accounting staff.

**V. Related References**

---

<Materials Distribution Services Policy link>

**VI. Revisions**

---

Procedure Number	610.3
Date Approved	August 31, 2018
Revision Dates	

DRAFT