Procure-to-pay Process

An Overview

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Enterprise Resource Planning (ERP) System Foundation

ERP

Org Structure

Budget Control By-law

Procurement By-law

Procure-to-pay Process

1. Requisition
2. Purchase order
3. Supplier invoice
4. Payment

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ERP Training
E-learning Options

- Procurement Essentials for Leaders
- Procurement Essentials for Niagara Region Staff
- Introduction to Financial ERP
- Requisitioning Part 1
- PCard for Cardholders and Preparers
- PCard for Approvers

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ERP Training
Instructor-led Options

- Introduction to Financial ERP
- Requisitioning Part 1
- Requisitioning Part 2
- Financial ERP for Supervisors
- Financial ERP for Budget Owners
- Financial ERP for Project Managers

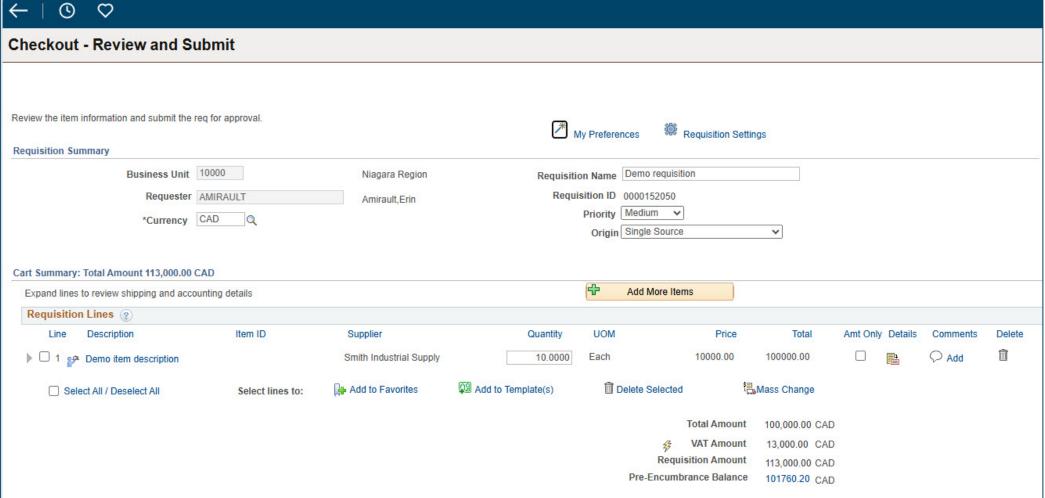Niagara Region

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Step 1 - Requisition

- Initial request to make a purchase of goods and/or services
- Add items details, categories, quantities, prices, shipping, and chart of account details
- Choose the supplier (if applicable)
- Select a Procurement By-law purchasing type (origin)
- Attach all necessary supporting documentation
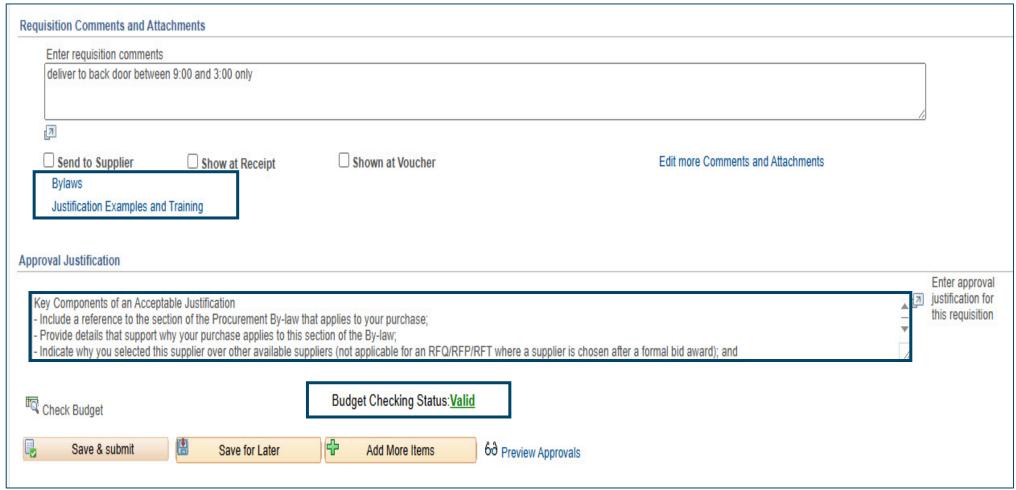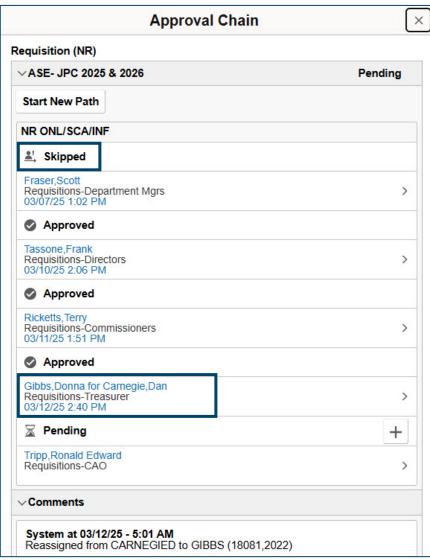- Submit for electronic approval

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Step 1 – Requisition
Checkout Screen

Step 1 – Requisition
Checkout Screen (continued)

Requisition Comments and Attachments

Enter requisition comments

deliver to back door between 9:00 and 3:00 only

☐ Send to Supplier   ☐ Show at Receipt   ☐ Shown at Voucher   Edit more Comments and Attachments

Bylaws

Justification Examples and Training

Approval Justification

Enter approval justification for this requisition

Key Components of an Acceptable Justification
- Include a reference to the section of the Procurement By-law that applies to your purchase;
- Provide details that support why your purchase applies to this section of the By-law;
- Indicate why you selected this supplier over other available suppliers (not applicable for an RFQ/RFP/RFT where a supplier is chosen after a formal bid award); and

Check Budget

Budget Checking Status: Valid

| Save & submit | Save for Later | Add More Items | 👓 Preview Approvals |

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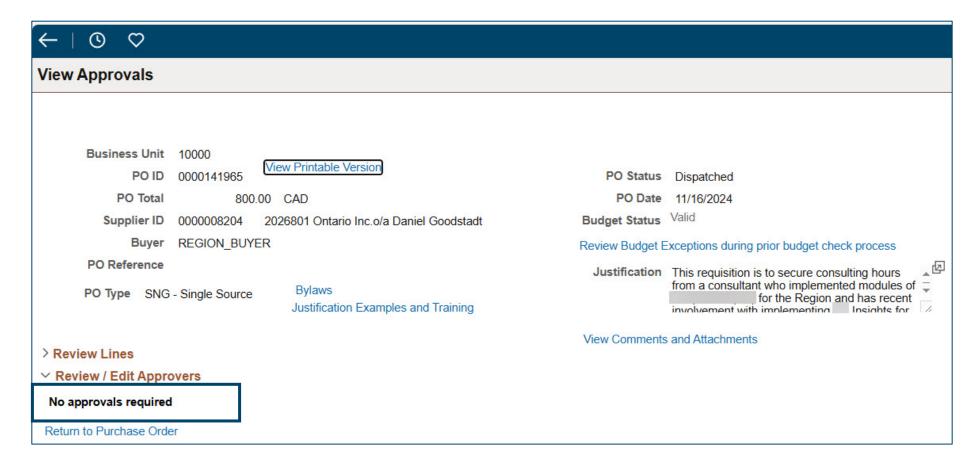# Step 1 – Requisition
Approval

Step 2 – Purchase Order (PO)

- Legally binding document issued to a supplier
- Non-competitive purchases (e.g. low value or single source)
  - Automatically converted to a PO
  - No approvals required
- Competitive purchases (e.g. request for proposal)
  - Manually converted to a PO by Procurement Services after bid award
  - Manager approval if PO value less than or equal to requisition
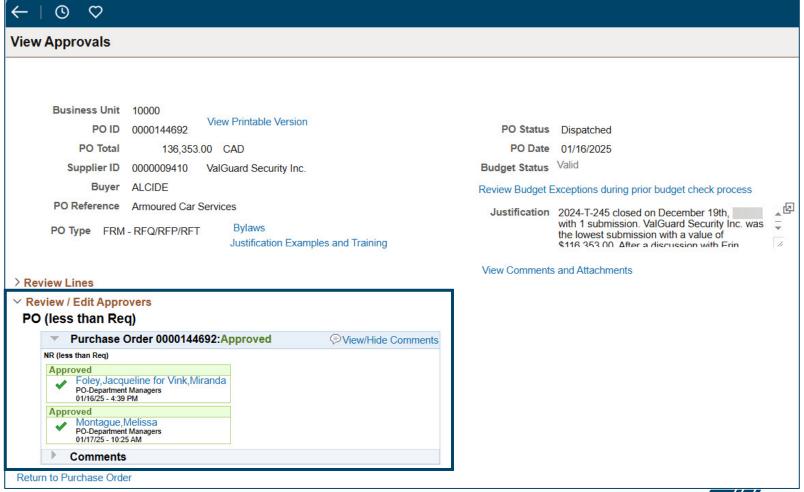 - All by-law required approvals if PO value is greater than requisition

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Step 2 – Purchase Order
Non-competitive

Step 2 – Purchase Order
Competitive

Step 3 – Supplier Invoice

- Recorded as vouchers in the ERP
- Approvals follow payment release authority of by-law
- Two-way matching for service purchases (invoice to PO)
- Three-way matching for goods purchases (invoice to PO to receipt)

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Step 3 – Supplier Invoice (continued)

- "No PO, no pay" practice
  - Invoices received without a valid PO number are returned to the supplier by the Accounts Payable team

- Exceptions:
  - Purchase is made on a PCard (corporate Visa, approved "low value" method under the by-law)
  - It falls under the special circumstances (emergency) section of the bylaw (where a PO is required but can follow later)
  - It's a schedule 'A' exemption (where a PO isn't required, but still encouraged)

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Step 4 - Payment

- Released to suppliers based on invoice due dates
- No additional approvals required
  - Pay cycles follow accounting best practices and internal controls

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Thank You

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