

IES Purchasing: DDP Payment Authorization

Purpose

The purpose of this Document is to explain DDP Payment Authorization.

Summary of Order Types

CP = Central Purchasing
ASO = Automated Stock Orders
DDP = Delegated Direct Purchasing
MOD = Manufacture On Demand

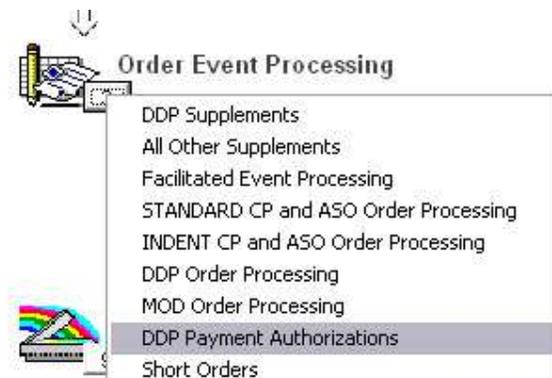
Introduction

DDP Orders are almost exclusively managed and authorized electronically, i.e. paperless as far as is practical (paper can be produced on demand, of course). As such, when a Supplier Invoice is received, the Payables / Creditors function will request a Payment Authorization on-line, by using "Facilitated Event Processing". Each such request will be queued for a specified Authorizer, who will authorize the Invoice Item(s) for Payment. Depending on the profile of the Authorizer, and also his / her choice, the approval may "actualize" the Invoice automatically, i.e. process it, or the approval may be lodged only, and be ready for the Payables / Creditors Clerk to process the Invoice based on the Payment Authorization. In the latter case, the Creditors Clerk may use the "auto queue search" function in "Facilitated Event Processing" to find Invoices that have been approved and can be processed.

Hint: When an Invoice is processed (or "actualized") on a Purchase Order, this puts the Invoice Amount as a "payable" on the Supplier Account. Actual Payment is another step, and part of the AP / Creditors function.

Where to Process

DDP Payment Authorization is part of what is referred to as Purchase Order Events, and the Purchase Order Events are all processed from "Order Event Processing".



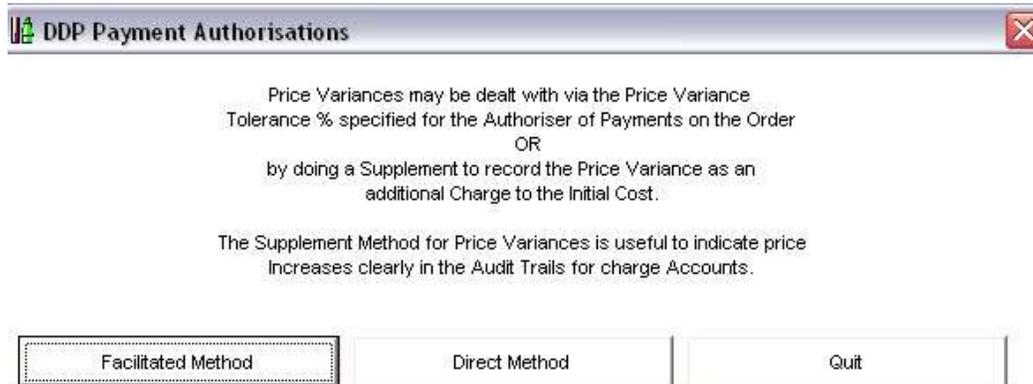
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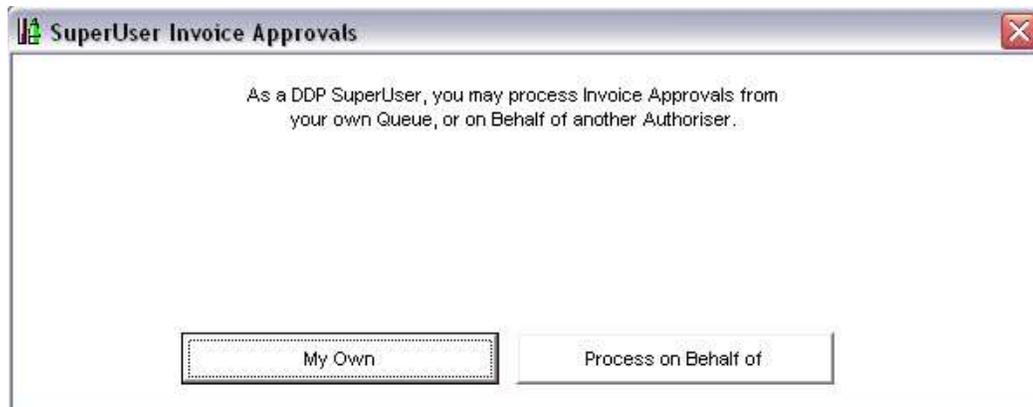
From the main Purchasing options, choose "Order Event Processing" and then choose "DDP Payment Authorizations".



The system opens with standard but essential rules of DDP Payment Authorizations (above).



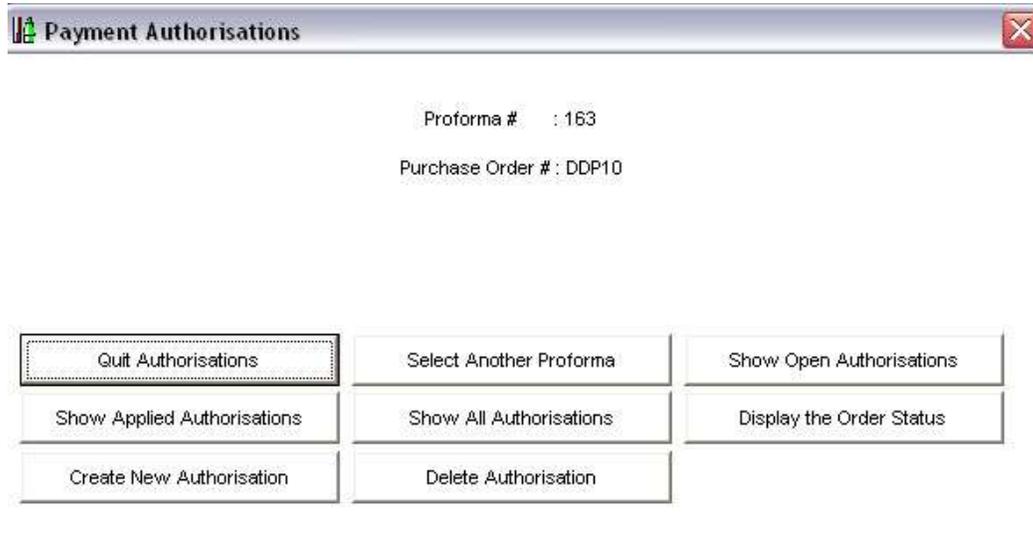
The Facilitated Method (above) is used to let the system find Authorization Requests awaiting your attention, and this method will offer these requests one by one so you can decide what to do with them in each case.



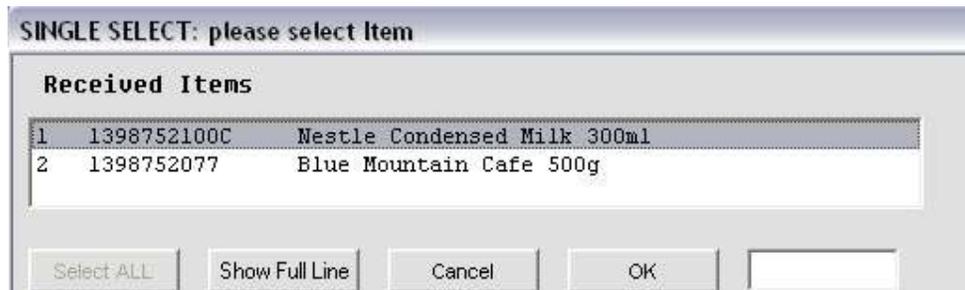
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In this case, you select the appropriate Order 1st, either from the Proforma Number or the Order number itself, and if you are the registered Authorizer for the Order, the system opens the following options: -



Once again, you can view existing Authorizations on the Order, view the Order, and create or delete pre-approval Items. Pre-approval Items can only be created on Items that have already been RECEIVED.



From Items already received, you simply select an Item to create pre-approval of payment authorization, and then the system creates the necessary record, as shown below. To pre-approve payment for the Item, just choose "Authorize Payment Now".

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Payment Authorisation [2] (Save / Update : Active(ENG))

 **DDP Payment Authorisation** 

Date Created	25/05/2006
Time Created	17:57:50
Quantity	5.00
Base Value	20.00
Authorised Payment	20
Item	1398752100C
Description	Nestle Condensed Milk 300ml

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