Briefing Session
Electronic Invoice
and
Receipt Voucher

January 11, 2018

Agenda

1. Overview

CUSAP decentralization

Phase 1 – completed

Scope : allows D/U admin to view some on-line financial information and reports in SAP

Phase 2 – underway, scope will cover :

- E-forms and E-workflows on financed-related business processes including receipt functions to *improve work efficiency*

- *Strengthening internal control* on customer invoicing function

Phase 2 – underway, scope will cover (Cont'd):

- *More transparency* on the status of invoicing processing

- Development of *database for generation of management and other reports*

- *Improvement* on *unknown bank receipts identification*

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1. Overview
2. Existing Arrangements
3. Weaknesses of Existing Arrangements
4. Suggestions for Enhancements
5. Objectives of the Enhancements
6. Proposed Enhanced Arrangements
7. Bursary Contacts
8. Questions and Answers

2. Existing Arrangements

- Departments issue customer invoices with their own invoice number

- Departments administer running invoice number to avoid duplicate

- Departments prepare manual receipt vouchers for known cheque payments/bank deposits from customers

2. Existing Arrangements (Cont'd)

- Departments follow up with customers and/or check with Bursary if payment is received for unsettled invoice

- Departments prepare and send manual receipt vouchers with supporting documents and bank receipt records to Bursary for income posting

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- Manual invoicing system gives rise to risk of duplicate invoices/improper numbering sequence

- Manual invoicing system makes tracking and follow up of unsettled invoice difficult

- Duplicate input of invoicing to customers and submission of manual receipt voucher to Bursary

- Receipts at bank cannot be easily identified without unique requirement of quoting invoice number

- Delay in income posting to project account and issuing of official receipt as manual invoicing system may not have report to remind submission of receipt voucher to Bursary

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4. Suggestions for Enhancements

- Central running customer invoice number

- Easy reference for customers to make payments

- Reminder reports to follow up unsettled customer invoices

- Automatic generation of receipt voucher upon cheque/bank receipts

- Reminder report to submit receipt voucher to Bursary

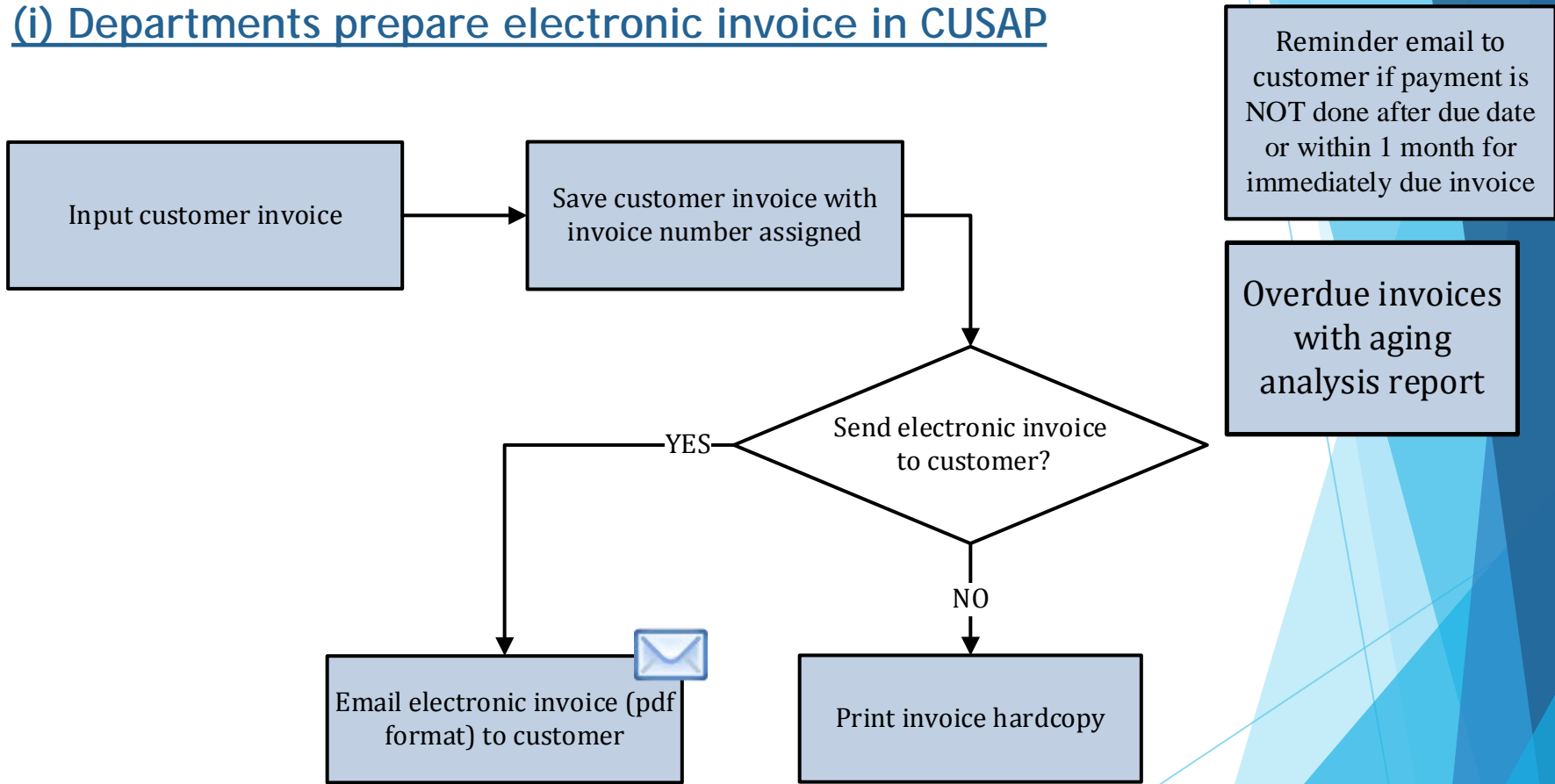- Automatic generation of official receipts at departments' choice

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5. Objectives of the Enhancements

- *Strengthen internal control* with centralized customer invoicing system

- *Facilitate customer payment* easier using unique customer invoice number

- Provide *database to facilitate* payment *follow-up* and submission of receipt voucher for *timely income posting to project account*

- *Improve work efficiency* with automatic generation of receipt voucher without duplicate input

- *Issue official receipts timely* with records in centralized system

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A. (i) Departments prepare electronic invoice in CUSAP

```
┌─────────────────────┐      ┌─────────────────────────┐
│                     │      │  Save customer invoice  │
│ Input customer      │ ───▶ │  with invoice number    │
│ invoice             │      │  assigned               │
└─────────────────────┘      └─────────────────────────┘
                                          │
                                          ▼
                              ◇ Send electronic invoice
                         YES ◁   to customer?  ▷
                          │                    │
                          │                   NO
                          ▼                    ▼
             ┌──────────────────────┐  ┌──────────────────────┐
             │ Email electronic     │  │                      │
             │ invoice (pdf         │  │ Print invoice        │
             │ format) to customer  │  │ hardcopy             │
             └──────────────────────┘  └──────────────────────┘
```

Reminder email to customer if payment is NOT done after due date or within 1 month for immediately due invoice

Overdue invoices with aging analysis report

(shaded)	Proposed System Function
(white)	Manual Process

A. (ii) Departments prepare electronic invoice in CUSAP

A. (ii) Departments prepare electronic invoice in CUSAP (Cont'd)

Customer email address:

account@abccomp.com

Customer phone no.:

2889 7777

Customer's contact person:

Lee Siu Ming

*Customer postal Address:

Line 1:

Shop 123, Nathan Road

Line 2:

Kowloon

Line 3:

Line 4:

*Country:

Hong Kong

Agreement no.:

AT000001

*Payment Due Date:

☑ IMMEDIATELY , unless specify DD.MM.YYYY 📅

*Currency:

HKD

Total Amount:

18000.00

A. (ii) Departments prepare electronic invoice in CUSAP (Cont'd)

B. (i) Generate receipt voucher after receiving payment
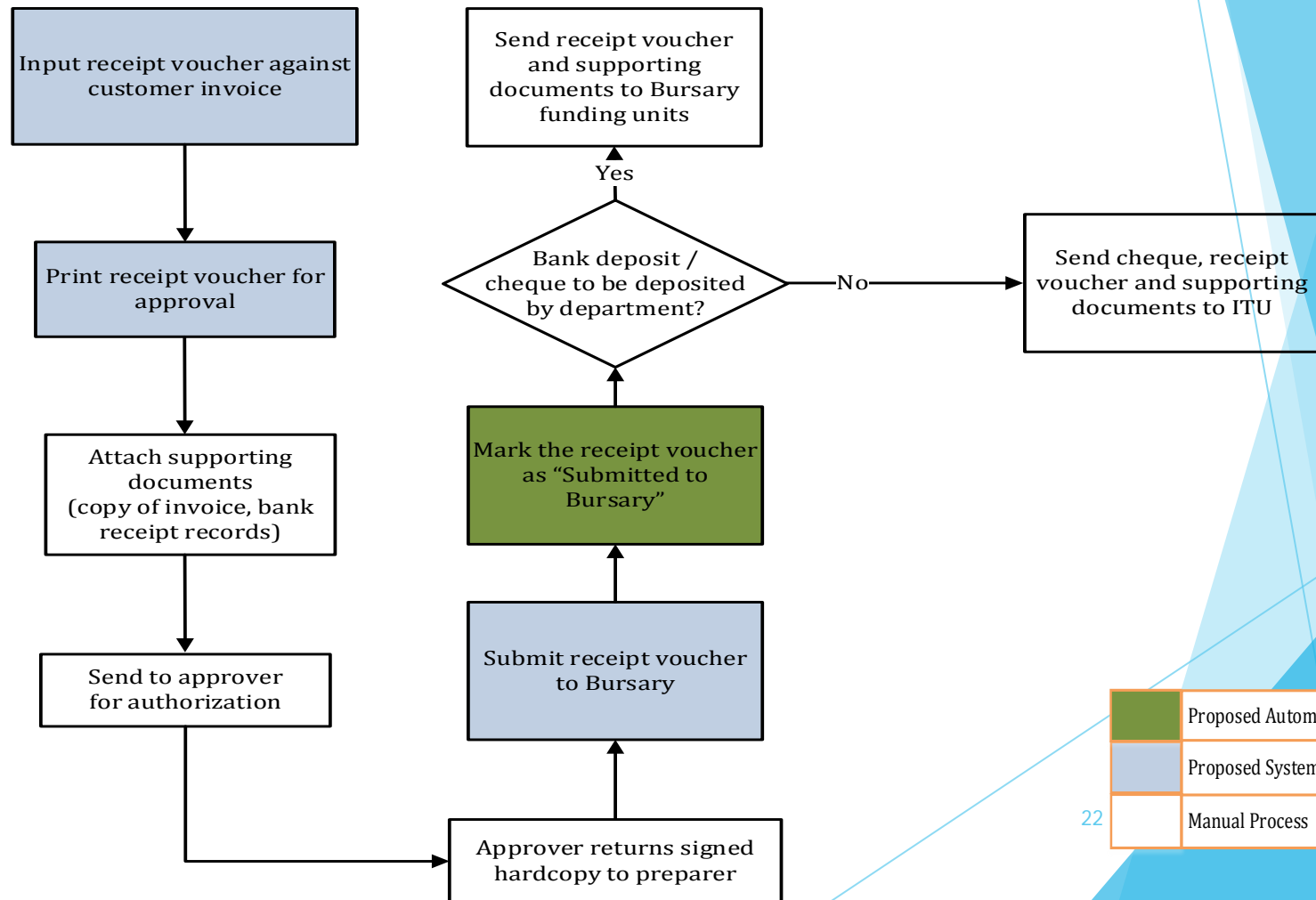
■ (green)		Proposed Automated System Function
■ (light blue)		Proposed System Function
□ (white)		Manual Process

B. (ii) Generate receipt voucher after receiving payment

B. (ii) Generate receipt voucher after receiving payment (Cont'd)

Amount received for this invoice:

| 18000.00 |

Please indicate if you need to close this customer invoice:

☐ Close invoice

Customer Invoice Item (2)   🗑 Remove

☐	Acct. Ass.	Item	Invoice Item Description	Company	Business Area	Cost Centre	Project	Internal Order	Account Code	Invoice Currency	Invoice Amount	Receipt Currency	Receipt Amount	Receipt Local Amount
☐	🔍	000001	Final in	C001	0001	ITSC			590001	HKD	8000.0(	HKD	8000.0(	8000.(
☐	🔍	000002	12th ins	C001	0001		261201		590001	HKD	10000.(	HKD	10000.(	10000
☐	🔍													
☐	🔍													

Remarks (for internal use):

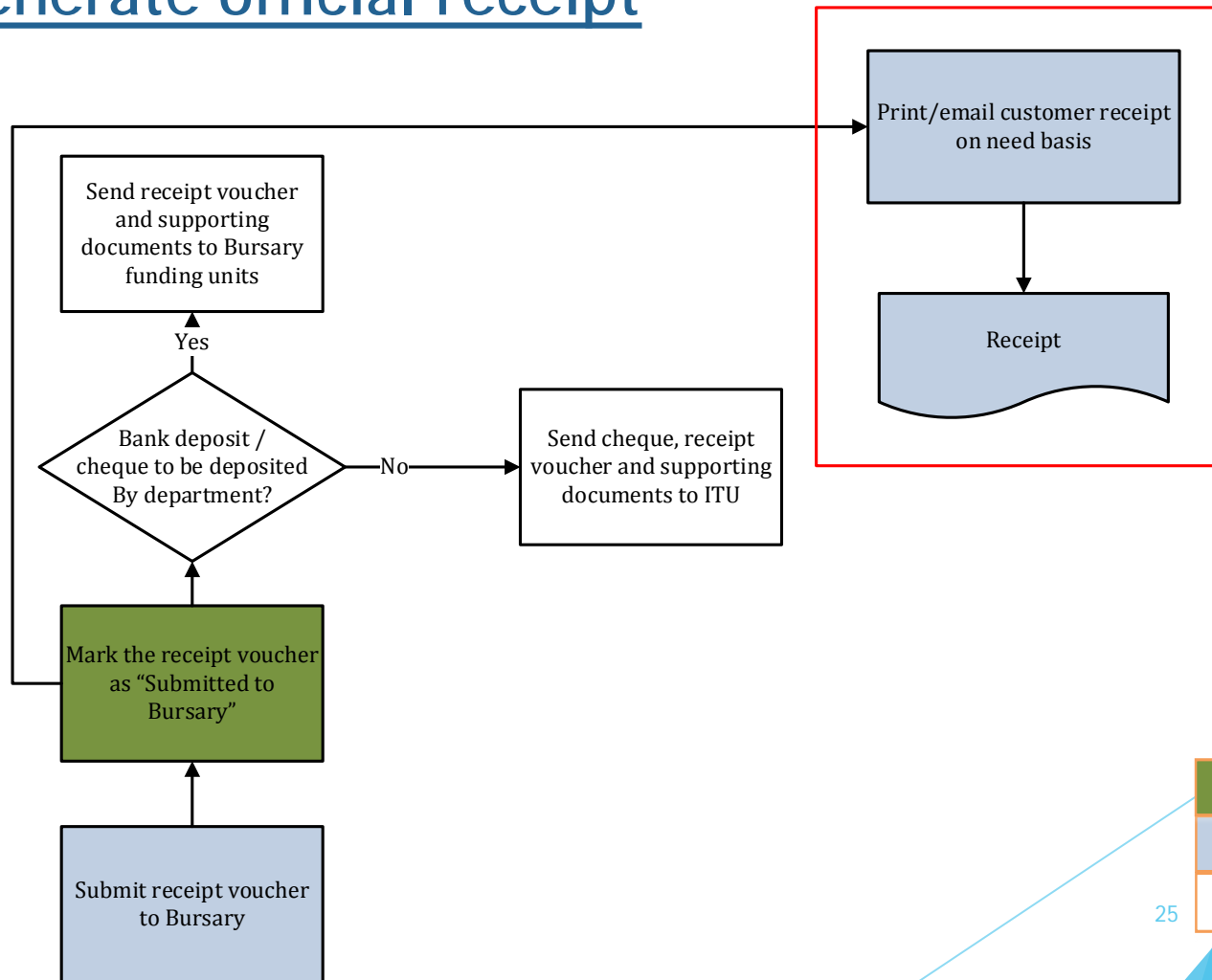| The remarks will be put into CUSAP document header text. |

Notes (for receipt):

| The notes will be printed on the receipt. |

C. Generate official receipt

Print/email customer receipt on need basis

Receipt

Send receipt voucher and supporting documents to Bursary funding units

Yes

Bank deposit / cheque to be deposited By department?

No

Send cheque, receipt voucher and supporting documents to ITU

Mark the receipt voucher as "Submitted to Bursary"

Submit receipt voucher to Bursary

■ (green)	Proposed Automated System Function
■ (light blue)	Proposed System Function
□ (white)	Manual Process

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Q and A

D. E-workflows for Reporting of Receipt Activities without Invoices

a) Receipts generated from _recurrent activities / programs_ for which _instant official receipts_ and daily activity reports are required

E-solution

Continue to be taken care by Income Collection and Receipt Issuance System (IRIS)

D. E-workflows for Reporting of Receipt Activities without Invoices (Cont'd)

b) Receipts of **_ad-hoc natures not associated with invoices_** (currently reported by departments using manual receipt voucher forms)

Proposed E-solution *(preliminary proposal)*

➢ E-receipt voucher form in excel-like format will be developed

➢ The E-receipt voucher serves multi-purposes : (i) Capture receipt transactions (ii) Many remark columns for departments to add information for internal analyses (iii) upload bank deposits/cheques received together with income posting information to become a receipt voucher for submission to Bursary

➢ E-receipt voucher form can be recalled for preparing next E-receipt voucher to record future receipts from same customer

➢ Generate official receipt at department's choice

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E. Proposed timeline

► E-invoicing and receipt voucher

1.	Focus group meeting:	Jan 11, 2018
2.	Feedback from focus group members*:	Feb 9, 2018
3.	System development:	Aug 2018
4.	User acceptance test:	Sep 2018
5.	User training:	October 2018
6.	Go-live:	November 2018

*Feedback can be sent to email: CUSAP@cuhk.edu.hk or call Bursary contacts

► E-receipt voucher without invoice

1. After completion of E-invoicing

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7. Bursary Contacts

Investment and Treasury Unit, Bursary

- Mr. Peter Lee, Finance Manager
  Tel: 3943-7299
  Email: peterkmlee@cuhk.edu.hk

- Ms. Maggie Chan, Assistant Finance Manager
  Tel: 3943-1939
  Email: maggiecyl@cuhk.edu.hk

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Q and A

- End -