

Guidelines for processing Invoices using IPS app

IPS app workflow: IPS app implements the Holtec's business process to route an invoice from receipt to payment. Invoices are added to a IPS container at Entry stage by accounts payable team monitor inward invoices. An independent Invoice processing team reviews invoice, vendor, packing slips etc to route to right business approvers using FM-26 guidelines. Once approves for payment, IPS gets queued for Posting. AP team then issue payment.



Processing Station:

- **Entry:** All invoices that are received by Holtec is recorded in IPS app. Invoices are processed only where there is valid purchase order.
- **Review:** Invoice Specialist review the invoice and vendor.
- **Approvers:** There are typically three levels of approvers. Financial memo FM-26 guidelines lists a routing plan of invoices based on division and category t route to suitable approvers to disposition.
 - **Cognizant manager**
 - **Project manager**
 - **Division Head**
- **Posting:** An approved invoices gets queued to Posting for final processing
- **Hold Queue:** On rare, compelling business circumstances, an invoice is allowed to be put on HOLD. Invoices are put on hold for a short duration of time with appropriate approvals.
- **Reject Queue:** If invoices fail to meet the requirements, then it is marked rejected and put on Reject queue. Vendors, Buyers and project managers are notified.
- **Archived:** After payment is processed successfully, IPS is put on archived queue.

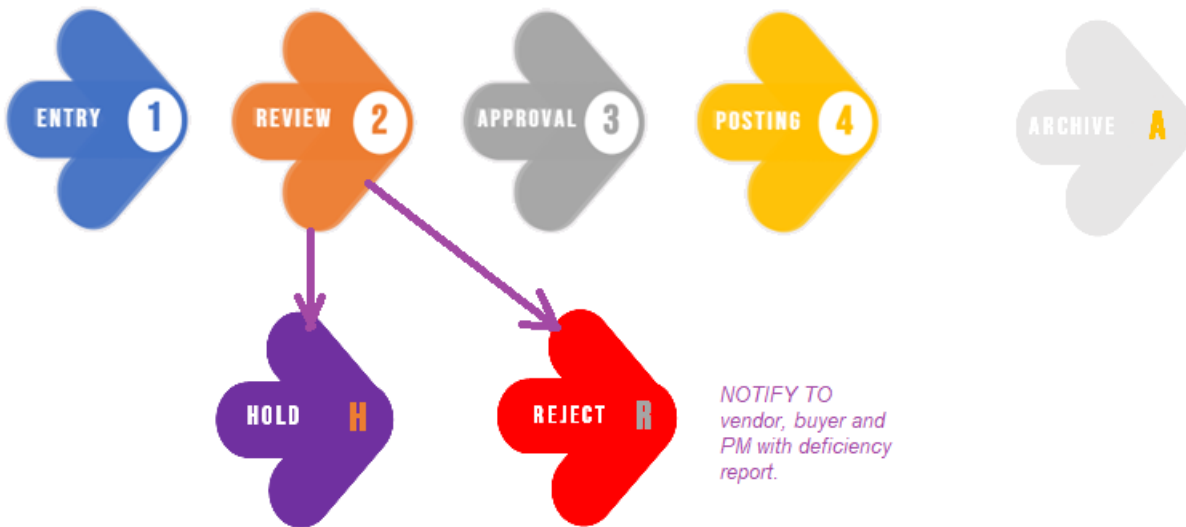
Workflow: Invoices should get processed in one of the following workflows

1) Approval:

- a. Entry -> Review -> Approve ->Pay -> Archive
- b. Entry -> Review -> **Hold** ->Restore to Review ->Approve ->Pay -> Archive

2) Reject :

- a. Entry -> Review -> Reject
- b. Entry -> Review -> Approval ->Reject
- c. Entry -> Review -> **Hold** ->Reject



Suppliers and contractors shouldn't be allowed to supply additional items or put additional efforts beyond the approved quantity on Purchase order. They shouldn't work based on handshake deal or word of mouth agreement. Before commencing additional work, a formal change order is required to be issued on Purchase order.

Purchase order are typically of two types: Firm Fixed and T&M

Processing guidelines for invoices received on **Fixed Firm type Purchase order**:

- 1) If unit price on the invoice is higher than the rate specified on Purchase order, then Invoice must be rejected.
- 2) If Quantity of Items on the invoice is higher than the specified on Purchase order then Invoice must be rejected.

Exception: If there is a **special provision** mentioned on purchase order to allow certain items such as dimension/Quantity overages, material surcharge at time of shipment (stainless steel), actual weight of the plate/coil, random lengths (pipe, tube, bar) etc then IPS should be put on hold and buyer should be consulted to issue a CO and only then the IPS should be approved.

- 3) If the PO specifies that Freight / Tax to be charged at time of shipment then Invoice should not be put on hold or rejected. Invoice should be paid with a Misc line added on Invoice to cover that Freight or Tax.

Additional tab should be selected, and appropriate amount should be entered on box:

- For tax related ambiguity, Subject Matter Expert from accounting team should be consulted.
- 4) If the Purchase order (over \$10,000) wasn't Acknowledged by the vendor, then Invoice should be placed on Hold for short duration and notify vendor to complete PO acknowledgement process.
 - 5) If the vendor has been added on EEL (excluded Entity list) then IPS should be rejected

- 6) If the vendor has open Nonconformance or is on NOCC list then IPS should be put on hold. Based on linked CR/NCR, QA inspectors and PM should be consulted to further process invoices.
- 7) If the vendor has a Credit from previous order the Account payable manager should be consulted to process the Invoice.

Processing invoices received for T&M type Purchase Orders:

- If the Invoice belongs to T&M type, amount on invoice exceeds remaining amount on PO, then IPS may be put on Hold. Buyer on the Purchase order, Supplier's contact and PM should be notified.
- Hold queue for T&M will be handled under following categories and Division. A owner of the queue will be required to keep tab in IPS processing status (Please add full names)
 - Site services- Justin Tindal
 - PLI/AMD – Greg/Ashley
 - HMD- Deanna Oliver
 - HGS project invoices-Mike O'Connell
 - IT invoices- Dawn Stevenson
 - Project specific invoices- Rob/Fred
 - HDI- Brad Williams
 - HSI- Brad Williams
 - HTC- G&A, Legal, accounting, facility maintenance-IPS Team

If an invoice is determined to be rejected, following form will be presented to Invoice processing specialist to fill out for notification.

Process IPS on Hold/Review

PO Details

Process IPS invoice

IPS Processing

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Internal IPS processing

SELECT THIS OPTION TO REJECT IPS INVOICE
OR MOVE IPS INVOICE FROM ON HOLD QUEUE

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Reject Invoice

SELECT THIS OPTION TO REJECT INVOICE AND
SEND A NOTIFICATION TO VENDOR

Vendor Information

Vendor #

100

Vendor Email

sat.philadelontia.orders@argos.com

Vendor

NR040 EAST

Vendor Phone#

856-931-0905

Notice of invoice deficiency

HOLTEC INTERNATIONAL

NOTICE OF INVOICE DEFICIENCY

Supplier Name:

NR040 EAST

Invoice ID:

615507425

PO Number:

0144

Date of Issue:

01/15/2021 13:23 PM

It is Holtec International's policy to pay all valid invoices within the period specified in the Holtec Purchase Order. We regret to inform you that the above-referenced invoice, as presented to Holtec International, cannot be processed by the Company for the reason(s) indicated below (by select checkbox in the right-most column).

No.	Deficiency	Applicable Cause
1	Invoice amount exceeds the authorized amount on purchase order	<input type="checkbox"/>
2	The completed Holtec Form FM-38 was not attached to the invoice. This Form was sent with the PO and is required to be filled out and sent with every invoice submitted. Please resubmit the invoice with this form filled out and attached to process for payment.	<input type="checkbox"/>
3	A Holtec PO has been issued but has not been acknowledged by the Supplier.	<input type="checkbox"/>
4	The invoice is premature: the Supplier has not met the delivery milestone.	<input type="checkbox"/>
5	The Business Unit's Receiving Department has rejected the delivered item (in whole or in part).	<input type="checkbox"/>
6	There is an outstanding Notice of Commercial Claim against the Supplier; the invoice needs to be adjusted accordingly and re-issued.	<input type="checkbox"/>
7	Invoice cannot be processed because of lack of information (Purchase Order, Line Number etc).	<input type="checkbox"/>
8	OTHER: <div></div>	<input type="checkbox"/>

Action for Vendor: We ask that you rectify the deficiency note above before submitting a valid new invoice which meets the Holtec PO terms and requirements. Please contact the Holtec person cognizant of your work for the Company if you have any questions.

Submit

