What is an Accounts Receivable?

An accounts receivable invoice is created by a **commonwealth SAP agency** (payee or agency seeking payment for a good, service or benefit provided) and issued to the **customer** (payer or entity paying or reimbursing for a good, service or benefit provided).

Overview of the Accounts Receivable Process

1. A commonwealth agency determines the need to bill for goods, services or benefits provided to a non-SAP agency and/or customer.
2. The agency obtains the customer number if a customer account already exists, or requests from the Vendor Data Management Unit that a new customer number be created.
3. The agency creates an accounts receivable invoice utilizing SAP transaction FB70 noting the assigned customer number, dollar amount, job number and applicable general ledger account and cost objects.
4. The agency generates and/or prints the invoice from SAP utilizing either transaction ZFINVPRT or Y_DC1_32000237, depending upon the agency.
5. The agency mails the invoice(s).
6. The customer receives the invoice(s) and submits payment to the Accounts Receivable Section of the Bureau of Accounting and Financial Management within Comptroller Operations.
7. The Accounts Receivable Section applies the payment in SAP.
8. If payment is not received by the established due date, a dunning letter is automatically generated at a printer designated by the agency.
9. The agency mails the dunning notice.

Note: Step-by-step assistance is available in most SAP transactions by selecting *CoPA Custom Help* under the Help section of the SAP menu bar.

How do I obtain the accounts receivable role in SAP?

Please request the following SAP role from your agency Human Resources department: **YFC:AGY_FI_RVW_ACC_REC_XX00**. R*eplace the XX with your agency's two-digit business area.*

How do I obtain an accounts receivable customer number?

Existing customer numbers can be obtained using the match code or search feature found within SAP transaction FBL5N.

Requests for a new customer account or changes to an existing customer account should be sent to the Payable Services Center Vendor Data Management resource account at: RA-PSC_Customer_Requests@pa.gov. Please submit the request utilizing the appropriate form, which can be obtained by going to www.ies.state.pa.us, selecting Log In, then Documents > Finance > Forms.

How do I request a new accounts receivable job?

To request a new accounts receivable job, information should be provided in the following standard format to Harrison Brooks, Accounts Receivable Manager, at hbrooks@pa.gov and Jed Kratzer, Business Process Owner, at jekratzer@pa.gov:

1. Job Name
2. Job Description (Adequately describe the services for which a receivable is being established)
3. G/L account
4. Cost Center
5. Fund
6. Internal Order Number (If Applicable)

How do I create, edit or reverse an accounts receivable invoice?

Creating, editing or reversing an accounts receivable invoice requires a user to obtain the following SAP role: **YFC: AGY_FI_RVW_ACC_REC_XX00**. *(Replace the XX with your agency's two-digit business area.)*

- Accounts Receivable invoices are **created** using SAP Transaction **FB70**.
- Accounts Receivable invoices are **edited** using SAP Transaction **FB02**.
- Accounts Receivable invoices are **reversed** using SAP Transaction **FB08**.

How do I follow-up on outstanding invoices? When are dunning letters generated?
SAP customer accounts with overdue balances are identified via an automated dunning program. The dunning program automatically generates correspondence based on the current dunning level of invoices in that customer account. Dunning letters will print at a printer designated by the commonwealth agency and should be mailed by the agency.
STANDARD DUNNING LEVELS

- Level 1 – Past due letter is issued on the 1st day after the invoice due date.
- Level 2 – Past due letter is issued on 31st day after the invoice due date.
- Level 3 – Past due letter is issued on 61st day after invoice due date.
- Level 4 – Past due letter is issued, but not presented to customer. This level triggers the agency to take one of the following actions:
    - If the amount is less than $100, the agency has the option to either request a write-off from Comptroller Operations or refer the receivable to the Office of Attorney General (OAG) for collection.
    - If the amount is equal to or greater than $100, the agency must refer the receivable to OAG for collection.

How do I refer an invoice to the Office of Attorney General for collection?
Agency referrals for collection must be submitted to the OAG via the Artiva website. Artiva instructions and passwords can be obtained by contacting Ali Jury of the OAG at ajury@attorneygeneral.gov.

How do I submit a write-off request for an accounts receivable invoice?
Agency requests for write-off for amounts less than $100.00 can be submitted to Comptroller Operations, via an email to: RA-ARWriteOffRef@pa.gov. Please attach form STD-199 to your request.
Agency requests for write-off for amounts equal to or greater than $100.00 must be submitted to Ali Jury in OAG via email at ajury@attorneygeneral.gov.
Please attach the appropriate STD form to your email request.
Use form STD-199 for write-off requests of $100 up to $1,000.
Use form STD-200 for write-off requests greater than $1,000.
Both forms can be obtained at www.dgsweb.state.pa.us by selecting Log In, then Publications and Media Services, followed by Access Commonwealth STD Forms. Type the appropriate STD form number and click search.

What accounts receivable reports are available in Business Intelligence?
Multiple SAP reports are available in the Business Intelligence (formerly Business Warehouse) environment to monitor AR customer accounts. Jump queries allow real-time access into the R/3 environment providing complete transaction drilldown capabilities. The following reports are available in Business Intelligence:

- Aging Schedule Report – This report shows amounts currently due and overdue (0-30 days, 31-60 days, 61-90 days, 91-120 days, and over 120 days).
- Invoice, Credit Memo, Payment Tracking Report – This report shows the count and dollar value of open invoices, credit memos and payment documents.
- Average Days to Pay and Receivable Days Report – This report shows the average number of days to pay from both the invoice due date and the document date.

- Late Payment Tracking Report – This report shows customers who take longer than the given payment terms to submit payment.
- Short and Partial Payment Tracking Report – This report shows short pays and partial payments on invoices for a specific period of time. It allows users to easily view customers who consistently pay incorrect amounts.
- Percentage of Short Pay Auto Write Offs Report – This report shows the number of short pays that were automatically written off by the system because the payment fell within the specified tolerances (lesser of 2% or $2).
- Manual Bad Debt Write Off Report – This report shows the count and dollar value of invoices and/or accounts written off as uncollectible.