

# City of Chicago CENTRALIZED INVOICE PROCESSING Initiative

## ***Frequently Asked Questions (Vendors)***

### **TOPIC – GENERAL**

1. This change might be difficult for my company. If my contract is eligible for Centralized Invoice Processing, can I just continue to do business with the ordering department the way I always have?
  - *No. CIP is not optional, and there are no approved alternative processes. While we recognize that change is not always easy, we are also confident that the new CIP policy will provide benefits to our vendors (like faster payments and easier payment inquiries) and to the City (like better management reporting) that will outweigh any short-term difficulties. We appreciate the support of our vendors as we implement these and future changes, and look forward to serving you better.*

### **TOPIC – ORDERS**

2. Is Centralized Invoice Processing for both goods and services?
  - *Eligibility for centralized invoice processing is categorized by Purchase Order type. An eligible contract may include goods, services or both.*
3. The department that is ordering my goods and/or services creates a PO-Release **after** I submit my invoice because they don't know the actual quantity they will use at the time they place the order. Is this OK?
  - *No, it is not. Departments have received instructions and training on how to create estimated Releases for variable quantity orders. They should create these Releases IN ADVANCE, and then create Receipts for actual quantities upon delivery. You should generate an invoice only after the City provides a Receipt number, and your invoice should include BOTH the Release and Receipt numbers in order to receive fastest-possible payment.*

### **TOPIC – RECEIPTS**

4. Where do I get a Receipt number?
  - *The Receipt number will be provided to you by the department that ordered and to whom you delivered goods and/or services.*

5. How will the Receipt number be sent?
  - *It is up to each department to determine how they will communicate Receipt numbers to vendors. Possible communication channels include USPS mail, email or phone. We suggest you speak with the person who is ordering your goods or services to clarify how their department will communicate Receipt numbers.*
6. When should I start getting Receipt numbers?
  - *City departments were advised to start providing Receipt numbers to their vendors beginning April 1, 2011. Invoices submitted to CIP after 4/18 should reference a Receipt number. If the Receipt number is not included, invoice payment will be delayed.*
7. Is the receipt number the same as the stamped suborder number on the Blanket Release?
  - *It is not the same number. The Receipt number is generated only after you deliver goods or services, and will document the actual quantities received by the ordering department. This quantity might differ from quantities ordered.*
8. What if the department doesn't send me a Receipt number?
  - *Departments have been directed to enter **TIMELY** and **ACCURATE** Receipts in our accounting system to document the exact quantities delivered by their vendors. As part of our process improvement initiative, we will be monitoring and reporting on performance measurements related to Receipt entry, and addressing any deficiencies with individual departments.*
  - *If you have not received a Receipt number within 5 business days of delivery, send your invoice to the CIP unit with the notation 'TBD – Department' in the RECEIPT NUMBER field. While your payment will be delayed, we will work with the department on your behalf to get a Receipt number and to prevent further problems.*

## **TOPIC – INVOICES**

9. My PO is not on the list of eligible contracts. Where should I submit my invoice?
  - *If your PO (contract) is not on the list, or if you are providing goods or services without a contract, then your invoice is not eligible for centralized invoice processing. You should continue to submit your invoice to the ordering department as you do today.*

10. Can I send my invoice by mail? What about email?

- *Invoices may be submitted **to the CIP unit** by mail or as email attachments. Instructions and addresses for submitting invoices to CIP can be found at:*

[http://www.cityofchicago.org/city/en/depts/fin/provdrs/centralized\\_invoiceprocessing.html](http://www.cityofchicago.org/city/en/depts/fin/provdrs/centralized_invoiceprocessing.html)

- *If you are submitting your invoice **to the department** that ordered and to whom you delivered goods and/or services, then you should contact that department to ask how they want the invoice submitted.*

11. If I submit my invoice by e-mail, should I also send an original hard copy? Should I send a duplicate invoice to the ordering department?

- *No, you need not submit a hard-copy in addition to an email submission, nor should you be submitting duplicate invoice copies to ANY City department.*

12. Should I continue to submit Subcontract Payment Certification forms with my invoice?

- *DO NOT submit Subcontractor Certification forms to the CIP unit. CIP will not enter the information into the accounting system. You should contact the City department to which you are providing goods and/or services to see whether they wish to continue to receive these forms.*

13. Should I change the 'Sold To' or 'Bill To' locations on my invoices?

- *'Sold To' should still be shown as the address of the ordering department. 'Bill To' can be changed to 'Invoices, Office of the City Comptroller, 33 N. LaSalle St., Room 700, Chicago IL 60602'.*

14. Who should I contact to find out the status of my invoice?

- *You can contact either the department that ordered your goods and/or services OR the Comptroller's Office for information on the status of your invoice.*