TRADOGRAM
PURCHASE TO PAY GUIDE

Purchase to Pay

Note: *Test documents created on the system can be deleted. To do so, please contact Tradogram support, indicating which documents should be cleared from the account.*

The purchase to pay workflow typically consists of three document types (four, if requisition forms are included): purchase orders (indicating what was ordered), invoices (the payment amount requested by the supplier), and a delivery note (indicating the item quantities that were delivered and accepted from the supplier).

These documents are often referred to as a "3-way match" when all three are filed together. A 3-way match confirms that what was ordered, what was received, and what was paid for all align with one another.

On Tradogram, a purchase order must be created prior to adding an invoice entry or a delivery note (invoices and delivery notes must always be associated with a purchase order document).

A purchase order can also be created as a follow-up step after completing one of these workflows:

- Requisition Workflow
- Strategic Sourcing / Supplier Negotiation Workflow
- Contract Management Workflow

In this workflow testing guide, a standalone purchase order will be created - though the process is nearly identical when performed as a follow-up step from the workflows above.

To create a new standalone purchase order document:

1. Click on "Transactions" in the left toolbar and select "Purchase Orders"
2. At the top right of the purchase order listing overview screen, click on the "Create Purchase Order" option and select "Standard Purchase Order"
3. Enter a name for the document in the "Purchase Order Title" field
4. At the bottom left of the purchase order creation form, select either "Add Database Items" or "Add External Items"
5. Click on the "Next" button at the bottom right of the purchase order creation form
6. On the second step of the purchase order creation process, scroll down to the "Supplier" section and select a supplier (or select the "Use a custom alternate supplier to add a new supplier profile entry to the database - a supplier must be selected to create the purchase order)
7. Select the "Create Purchase Order" button at the bottom right

If any approval rules have been configured, the purchase order will be routed for approval once created. Please refer to the “Approval Workflow Testing Guide” for more information.

The decision to send a purchase order to the supplier once all approvals (if any) have been granted is optional (the document does not need to be sent to the supplier, and can instead be used exclusively as an internal purchasing record). For testing purposes and to review what the purchase order will look like, once the supplier’s contact email has been set to an internal testing address:

1. On the purchase order document screen, click “Send to Supplier” (the checkbox options above this button are not mandatory, but can be selected for testing if desired)
2. Open an entirely separate web browser from the current one (Internet Explorer, Firefox, Google Chrome, or an Incognito Window), log into the testing email address, and select the “View Purchase Order” option contained in the email message
3. Review the purchase order, and if any additional options were selected when sending the purchase order, provide sample response information (confirmation / delivery note)

Additional actions in the purchase to pay workflow can be taken once the purchase order has been created (and optionally responded to by the supplier) - including invoice and delivery information entry.

To enter a new invoice document (must be associated with a purchase order):

1. Click on “Transactions” in the left toolbar, and select “Invoices”
2. At the top right of the invoice listing overview screen, click on the “Add New Invoice” option
3. Select the created purchase order to associate it with the invoice entry (every invoice entered on the system must be associated with a purchase order)
4. Populate the mandatory information fields marked with an asterisk (*), including the invoice number, invoice date (date the invoice is received), and due date (date the payment is expected by)
5. Click the “Enter Invoice” button at the bottom of the invoice entry form to confirm and add the invoice information to the purchase order document

If any approval rules have been configured, the invoice will be routed for approval once created. Please refer to the “Approval Workflow Testing Guide” for more information.

Multiple invoices can be associated with a single purchase order if required.

To enter delivery information (must be associated with a purchase order, and optionally with an invoice entry):

1. Click on “Transactions” in the left toolbar, and select “Deliveries”
2. Click on the “Add Delivery” option next to the created purchase order (delivery information must always be associated with a purchase order on the system)
3. Populate the mandatory information fields marked with an asterisk (*), including the “Delivered Via” field (delivery service provider), the “Address” at which the delivery was received, and the “Received On” date (the “Delivered On” date is the date the order shipped, while “Received On” is the date upon which it arrived)
4. In the section where items from the order are listed, enter the item quantities delivered and received. The “Qty Delivered” field is meant to indicate the total number of items included in the delivery (or claimed to have been delivered by the supplier), while the “Qty Received” field indicates the total number of items actually accepted from the supplier (this may be less than the delivered quantity if some of the items are damaged, are missing, or otherwise do not meet the expectations specified in the order)
5. Click the “Add Delivery” button at the bottom of the delivery entry form to confirm and add the delivery information to the purchase order document

Multiple delivery records can be associated with a single purchase order if required.

Delivery records can also be used to update inventory levels if that feature is activated.

Workflow Testing Options

Ready to start testing?

Visit tradogram.com/resources/knowledge-base/user-guide/ for more workflow guides.

Available workflows for testing on a free account:

- Testing purchase order, invoice, and delivery entry (Purchase to Pay Solution)
- Testing request (RFX) creation (Strategic Sourcing and Negotiation Solution)
- Testing contract creation (Contract Management Solution)
- Requisition creation (Multiple Solutions)
- Approval configuration (Spend Control Solution)