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| **TITLE** | **C.O.D AND ADVANCE PAYMENT TO SUPPLIERS** |
| **OBJECTIVE** | To ensure accurate payment to suppliers and all paid items are received on time. |
| **SCOPE** | This procedure covers activities from receipt written advice for COD or advance payment from CEO to confirmation of delivery. |

| **Responsibility** | **Activities** | |  | **Interfaces** |
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| Purchaser | Receive written advice from CEO | | Note 1 | Written Advice |
| Purchaser | Proceed with Procurement Procedure | |  | HW-PM-PRO-003 (Procurement of Supplies) |
| Purchaser | Print written advice and Purchase Order | |  | Written Advice  Accounting System Purchase Order |
| Finance Officer / Finance Assistant | **CHECK** | **CASH** | Note 2 | Voucher  Check  CAFL |
| Prepare voucher and check | Prepare voucher and process CAFL |
| Chief Finance Officer | Review supporting documents and check | Review supporting docs and approve CAFL | Note 3 | CAFL  Check  Supporting Documents |
| VP for Admin and Finance | Sign check and return to Finance Officer with supporting documents for release |  |  | Voucher  Check  Supporting Documents |
| Document Controller | Scan check |  | Note 4 |  |
| Finance Assistant **(CHECK)**  Head Cashier **(CASH)** | Release check | Release Cash from Revolving funds (RF) |  | CAFL  Voucher  Check |
| Finance Officer / Finance Assistant | N  Y  Follow up Supplier  A  Goods Delivered? | | Note 5 | Receiving Report  Goods Received Note  Invoice  Delivery Receipt |
| Finance Officer | A  Knock off Advance Payment in Supplier Ledger | |  |  |
| Finance Officer / Finance Assistant | File voucher and supporting documents | | Note 5 | Voucher  Supporting Documents |

**NOTE 1:**

1. Upon receiving written advice from the CEO, the Purchaser shall:
2. Confirm the price/s with supplier.
3. Prepare Purchase Order in the QnE. Refer to Procurement of Supplies Procedure (HW-PM-PRO-003).
4. Print the received written advice & Purchase Order then forward to Finance Officer for processing of payment.

**NOTE 2:**

1. Payment can be made in two forms: through CHECK or CASH
2. For Cash payments, Cash Advance for Liquidation (CAFL) shall be processed so the Head Cashier can release funds from the Revolving fund (RF). *Refer to HW-PM-FIN-005 Cash Advance for Liquidation (CAFL) Procedures manual for the complete steps.*
3. Once the Check to be paid to the supplier has been approved, RF will be reimbursed.
4. The Finance Assistant shall post payment to Supplier Ledger, generate a Voucher and prepare the Check.

**NOTE 3:**

1. The Chief Finance Officer shall:
2. Review Check vs. supporting documents to ensure everything is correct.
3. Forward check and voucher with all supporting documents to VP for Admin and Finance for signature.

**NOTE 4:**

1. The Document Controller shall scan the check signed by the VP for Admin & Finance and the signed Voucher.
2. If the check has been directly deposited to the Supplier’s account. The deposit slip shall be forwarded to the Supplier as confirmation of payment.

**NOTE 5:**

1. Upon delivery of the ordered items, the Warehouse in-Charge / Warehouseman fill up the Goods Received Notes (GRN) entry in the QnE and print out a copy.
2. The Receiving report (RR), GRN printout, invoice or Delivery receipt (DR) shall be forwarded to the Finance Assistant.
3. Finance Officer to knock off the advance payment in the Supplier Ledger upon confirmation of delivery.
4. The Finance Officer / Finance Assistant shall file voucher, official receipt *(if applicable)* and all supporting documents in the Supplier’s Individual Folder.

**RECORDS GENERATED:**

1. Accounting System Voucher
2. Accounting System Purchase Order
3. Check

**REFERENCES:**

1. Written Advice
2. Support Documents
3. Procurement of Supplies HW-PM-PRO-003
4. Cash Advance for Liquidation (CAFL) HW-PM-FIN-005

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