Create and Accept an eSettlements Agreement

Introduction
This job aid describes the steps that are performed by both the U-M eSettlements buyer administrator (PR EM PAYABLES ADMINISTRATOR) and the supplier administrator (PR EM SSUPPLIER ADMINISTRATOR) to create, review, and accept an eSettlements agreement.

Important Information
Before adding the eSettlements agreement, the following supplier setup functions must be completed:

- eSettlements user IDs are set up and associated with the vendor ID,
- user profiles are set up with the appropriate roles and email addresses
- supplier information is loaded to the database.

Add an Agreement
The U-M Buyer completes the following steps:

Navigation: M-Pathways > eSettlements > Review Agreement Detail.

Note: The Review Agreement Details screen displays in the Add an Agreement tab by default.

1. Complete the following fields:
   - Supplier SetID: Always type UMICH.
   - Supplier: 10-digit supplier ID number.
   - Supplier Location: Always type 000001.
   - Buyer: Always type UMICH.

2. Click Add.

3. Select the Standard Vouchers Allowed check box.

4. In the Comments box, type any notes that both the supplier and U-M procurement agent can review.

5. Do not change the Bank Code and Bank Account search box default entries.

6. From the Payment Method list, select either Electronic Funds Transfer or System Check, as applicable.

7. Do not change the Invoice Verification Option default entry.

8. Click the Buyer Notifications tab.

9. If you need to change the default settings, click Specify Overrides.

Note: If you accidentally click this button, click Restore Defaults to reset.
Buyer Notifications

Note: The following 3 (out of 11) types of notifications populate the screen by default:

- **Agreement**
  To/Role/PR EM SUPPLIER ADMINISTRATOR
  cc/Role/PR EM PAYABLES ADMINISTRATOR

- **Match Exception – Buyer**
  To/Role/PR EM PAYABLES USER
  cc/Role/PR EM CONTRACT ADMIN USER
  Days Before Sending Reminder: 5

- **Invoice Load - Errors**
  To/Role/PR EM PAYABLES USER
  cc/Role/PR EM CONTRACT ADMIN USER
  Days Before Sending Reminder: 5

10. Click the **Supplier** tab.

Supplier Tab

11. From the **Payment Terms** list, select **Net XX** ONLY if **XX** is the contracted number of days from Invoice Upload Date to Payment Date. (Discount credit memo percentage is specified at Vendor Information.)

12. In the **Payment Terms effective as of date** box, type an effective date that is backdated to include any invoice dates that will be submitted.

13. Click the **Supplier Notifications** tab.

Supplier Notifications Tab

14. If you need to change the default settings, click **Specify Overrides**.

Note: If you accidentally click this button, click **Restore Defaults** to reset.

15. Click **Save**.

Note: The Agreement Status is now Created by Buyer.

16. Click the **Buyer** tab.
Review Supplier Invoices and Payments
Step-By-Step Procedure

Buyer Tab

17. Click **Notify Supplier to Review**.

**Note:** An email with the following Subject and Message is sent to the user(s) with the PR EM PAYABLES ADMINISTRATOR role (based on the default Agreement settings above.)

*Subject:* eSettlements Agreement has been accepted by SUPPLIER NAME 000001

*Message:* Please go to eSettlements to review the Agreement. Acceptance by both parties is required for Invoices to be processed.

**Note:** The Agreement Status is changed to Ready for Review by Supplier.

18. Click **OK**.

The Supplier completes the following steps.

**Navigation:** M-Pathways > Main Menu > eSettlements > Supplier Information > **Review Agreement Details**.

1. Click the **UMICH** link.

2. In the **Comments** box, type any relevant information/notes that you would like U-M to review.

**Note:** Do not change any other data.

3. Click **Accept Agreement**.

4. In the Review Agreement Details pop-up box, click **OK**.

**Note:** An email with the following Subject and Message is sent to the user(s) with the PR EM SUPPLIER ADMINISTRATOR role (based on the default Agreement settings above.)

*Subject:* eSettlements Agreement with The University of Michigan is ready for review.

*Message:* Please go to eSettlements to review the Agreement. Acceptance by both parties is required for Invoices to be processed.

**Note:** The Agreement Status changes to Accepted by Supplier.
Existing Agreements

<table>
<thead>
<tr>
<th>Search Results</th>
<th>Search Criteria</th>
<th>Supplier ID Number</th>
<th>Supplier Name</th>
<th>Agreement Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td>The University of Michigan</td>
<td>Accepted by Buyer</td>
</tr>
</tbody>
</table>

The U-M Buyer completes the following steps.

**Navigation:** M-Pathways > Main Menu > eSettlements > Buyer Information > **Review Agreement Details**.

1. In **Search Results**, click the supplier ID number link in the **Supplier** column.

2. Click **Accept Agreement**.

3. In the **Review Agreement Details** pop-up box, click **OK**.

**Note:**

- The Agreement Status changes to Accepted by buyer and supplier.
- The system does NOT send an email. The buyer must contact the supplier to notify them that invoices can now be uploaded.
- Refer to the following job aids for additional information related to these procedures: **MSupplier Portal Login to eSettlements** and **Add an eSettlements Supplier User**.

Sample Review Agreement Acceptance Email

```
From: jhigley@paramountcoffee.com
(mailto:jhigley@paramountcoffee.com)
Sent: Wednesday, August 25, 2010 11:05 AM
To: Gillis, Zita; Aiello, Andrew; Frost, Jeanette
Subject: eSettlements Agreement has been accepted by ARBOR MITCHELL CORPORATION 000001

Please go to eSettlements to review the Agreement. Acceptance by both parties is required for Invoices to be processed.
```