PSFIN V8.9 Training

Georgia*FIRST* Wimba Training Series

Setting Up and Processing Purchase Orders

November 1, 2011

Handout

Information Technology Services
Version 1.0
Last Updated: 11/01/2011

GEORGIA*FIRST*
FINANCIAL, INFORMATION & REPORTING SYSTEMS FOR TOMORROW
A Project of the University System of Georgia

Agenda

- Wimba Ground Rules
- Review Objectives
- Overview of Purchase Order Life Cycle
- Basic Structure of a PO
- PO Distribution
- PO Liquidation
- Receiving
- Matching
- Q & A

Wimba Ground Rules

- Submit questions via the chat box to the "Main Room."
- We may hold some questions to the end of the session

Objectives

- Discuss options for setting up a purchase order
- Differentiate between setting up a PO to voucher by quantity vs. amount only
- Provide an overview of matching rules and how to define matching and receiving options
- Identify how receiving status on purchase order lines impacts matching
- List the steps for creating receipts accurately
- Identify how matching impacts liquidation of individual PO lines and, ultimately, the match status of the entire PO
- Review activity against purchase orders which can affect matching and liquidation of a purchase order

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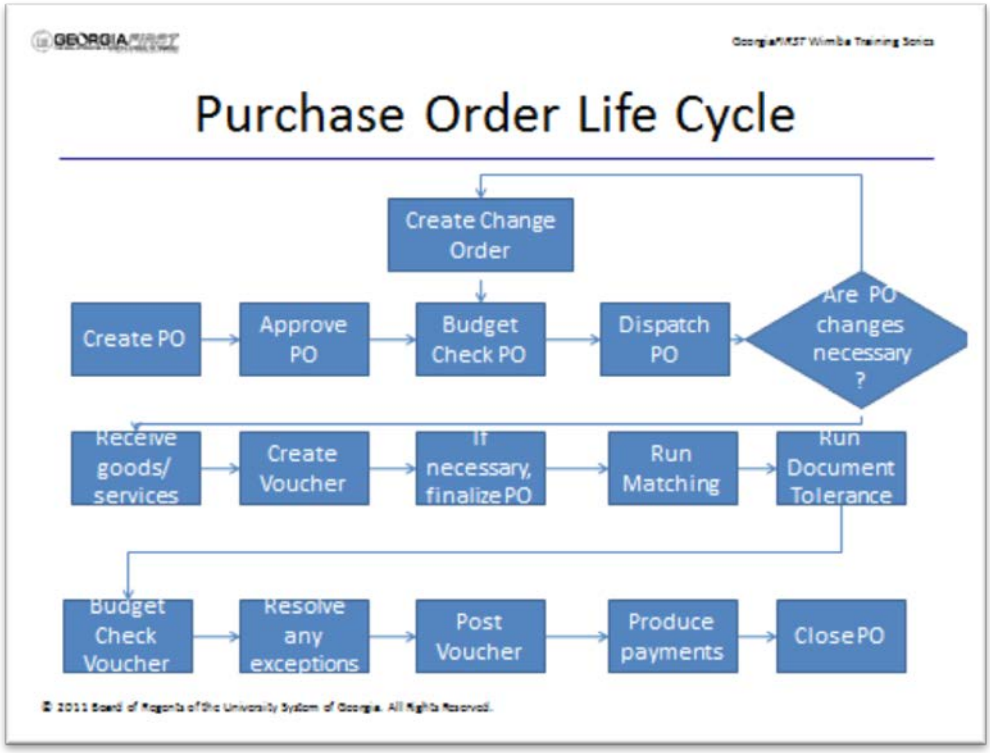

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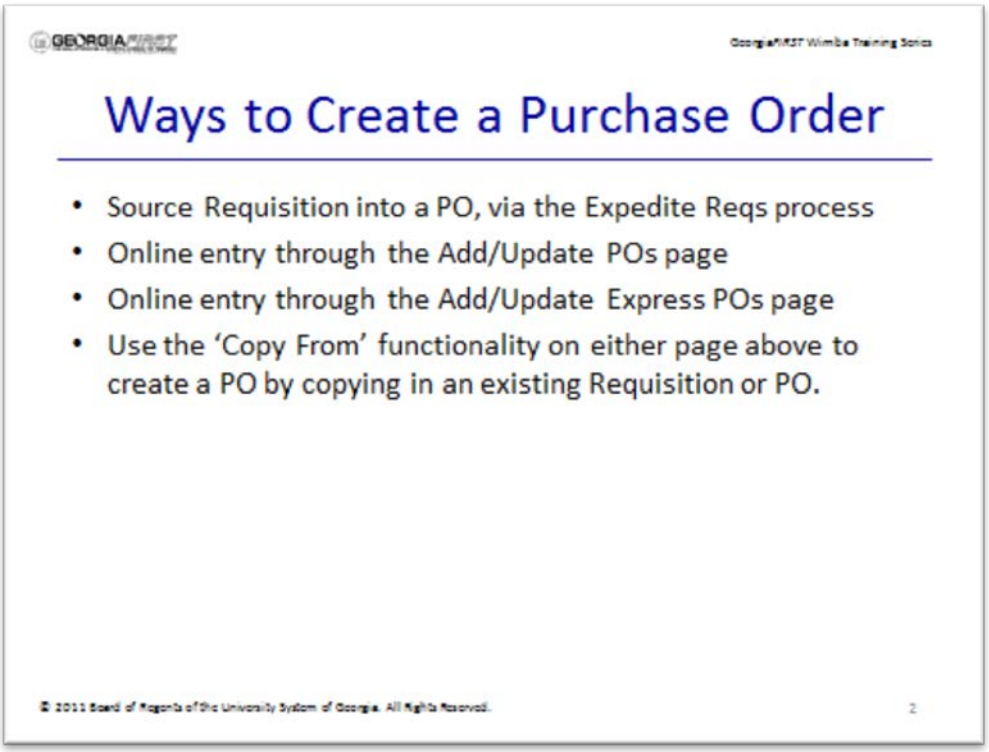

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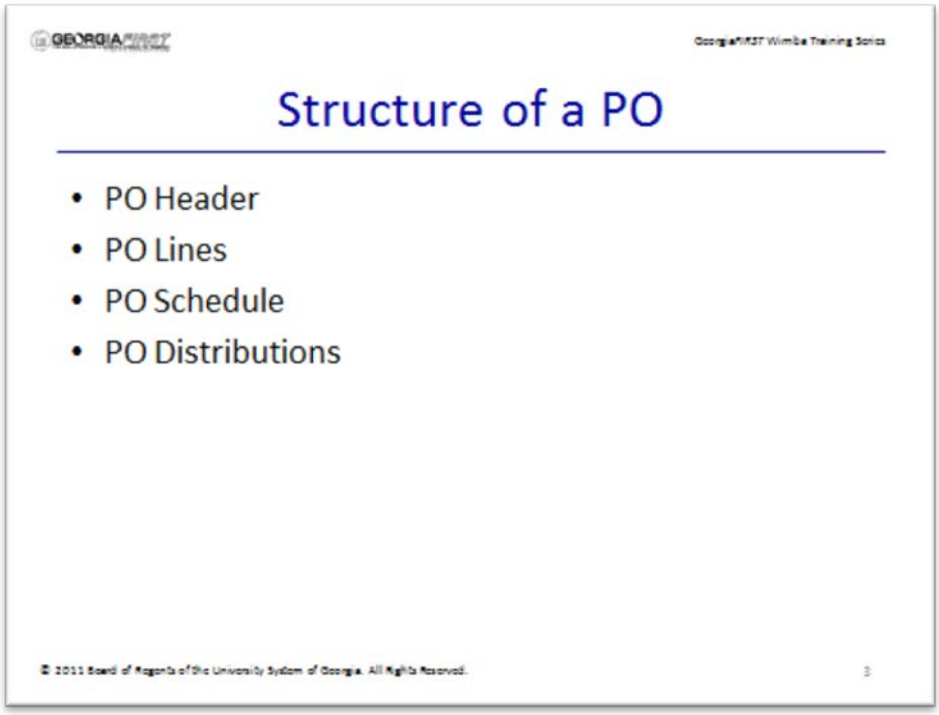

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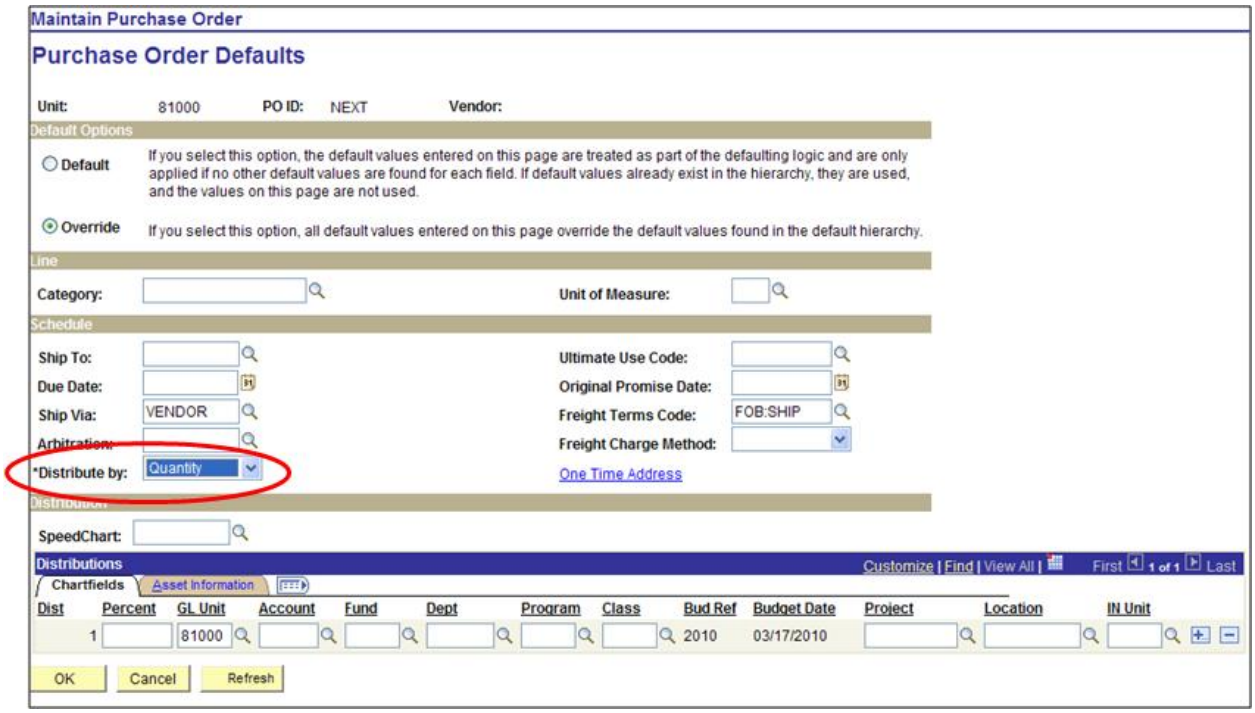
Distribute by Amount or Quantity



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Voucher by Amount
(amount only PO)

- Select this option on the PO if the intent is to voucher the PO multiple times for varying amounts
- Select this option if you plan to make partial payments
- Selecting this option will change the Qty to 1 and will gray out the Qty field
- Vouchers can be created against the PO until the full *Amount* is Matched
- Receive by Amount

An "Amount Only" PO is available to be vouchered until the last penny is pulled into a voucher and matched

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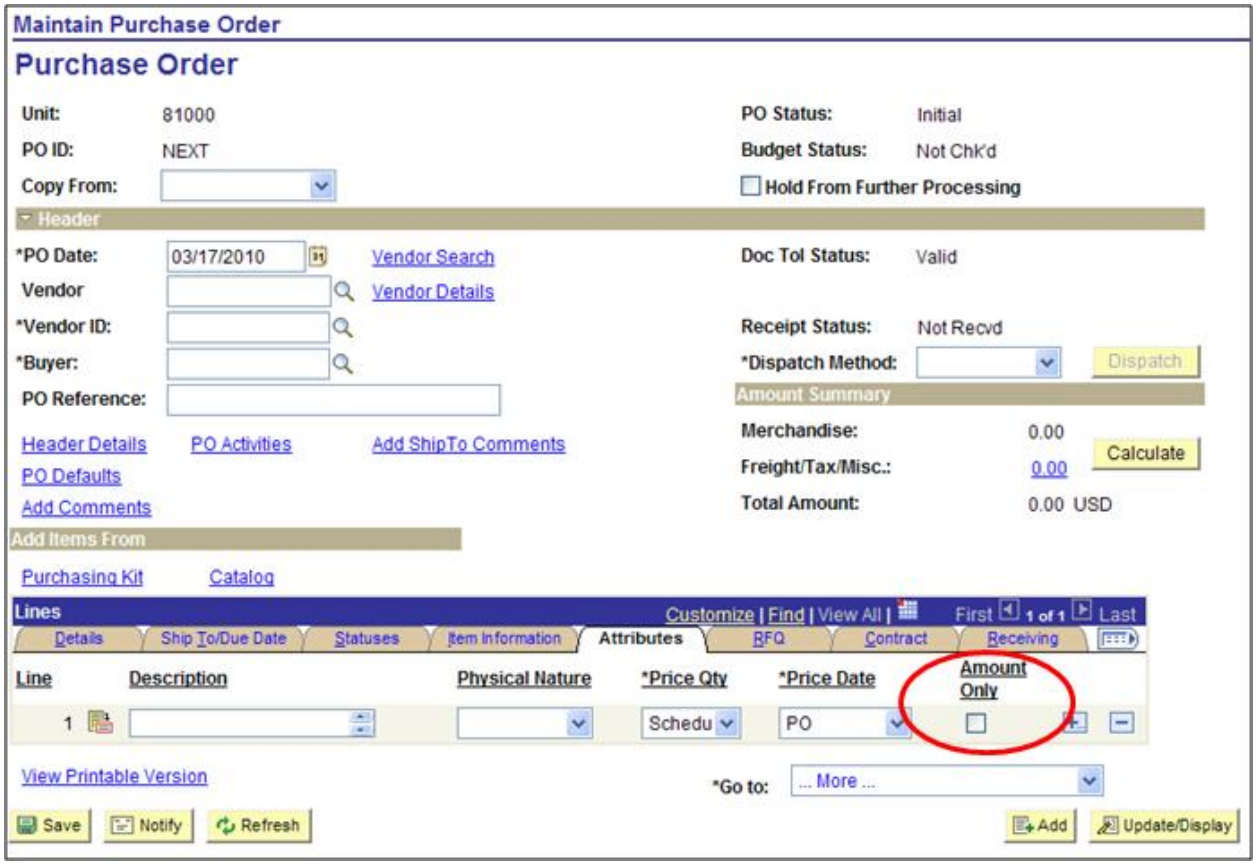
Voucher by Amount



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Voucher by Quantity

- By default, POs are created to be vouchered by Quantity.
- Can have a quantity greater than '1'
- Vouchers can be created against the PO until the full *Quantity* is Matched
  - If quantity is '3', and '3' are received & vouchered, the PO will be Matched and no further vouchers will be able to be created
  - Partial payments for quantities less than the PO quantity will 'Partial' match the PO line
- Receive by Quantity. Partial quantities can be received, but not partial units (<'1')

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Quantity vs. Amount

Lines — Customize | Find | View All | First 1-10 of 12 Last

Details | Ship To/Due Date | Statuses | Item Information | Attributes | RFQ | Contract | Receiving

Line	Description	PO Qty	*UOM	Category	Price	Amount	Status
1	VIZCOR VRANGLER	6.0000	EA	28544	1.00000	6.00	Active
2	ACAD VMARE VSPHERE	6.0000	EA	28544	2.00000	12.00	Active
3	ACAD VMARE VSPHERE	6.0000	EA	28544	3.00000	18.00	Active
4	HP CTO ONLY VMWARE	6.0000	EA	28544	4.00000	24.00	Active
5	HP DL360 G6	3.0000	EA	28544	5.00000	15.00	Active
6	HP 4GB 2RX4 PC3	36.0000	EA	28544	6.00000	216.00	Active
7	HP 72GB 3G PLUG	6.0000	EA	28544	7.00000	42.00	Active
8	HP NC364T	6.0000	EA	28544	8.00000	48.00	Active
9	HP ILO ADV 1 SVR	3.0000	EA	28544	9.00000	27.00	Active
10	HPE 3 YR 24X7X4 DL360	1.0000	EA	28544	10.00000	10.00	Active

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Receiving Options on PO

- Receiving setting default in to the PO based upon the NIGP/Category Code selected
  - In general, goods default in as Receiving Required and services default in as Do Not Receive
- Receiving Settings are:
  - Do Not Receive
  - Receiving is Optional
  - Receiving is Required
- Receiving Settings are set for each individual PO Line
- Receiving Settings can be manually changed

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Creating Receipts

- There are 2 ways to create receipts:
  - Core Receiving through Purchasing module
  - Desktop Receiving by eProcurement users
- Receipts are created by Quantity or Amount (dependent on PO)
- Receipts can be created for Partial Quantities/Amounts – you can have more than 1 receipt for a PO
- Helpful Hint – Change the Default "Receipt Qty Options"
  (Set Up Financials/Supply Chain>Common Definitions>User Preferences>Define User Preferences. Procurement Link>Receiver Set Up)

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Matching Options on PO

- Matching Options:
  - Full Match
    - PO to Voucher (2 way Match)
    - PO & Receipt to Voucher (3 way Match)
  - No Match
- Match status on a PO can be:
  - Unmatched
  - Partial (when Quantity or Amount on voucher is less than what is on PO)
  - Matched (when Quantity or Amount on voucher is greater than or equal to what is on PO)

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Matching Process

- The Matching process is run by AP to match the Voucher to PO and Receiving documents.
- The Matching process compares Qty/Amount data between Vouchers, Purchase Orders, and Receipts (if receiving is required or optional) and updates the PO Line and Header Match Status accordingly.
- If match exceptions exist they should be researched and addressed between PO & AP Departments before being Overriden.
- If PO Lines are set to "No Match" then the match process in not required when vouchered.

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Impact of Matching on Liquidation

- Matching allows multiple vouchers to be created and 'Matched' against a Purchase Order. How matching occurs depends on the method of Liquidation defined on the PO Line (Qty or Amount Only PO).
- A PO whose entire quantity or amount has been vouchered & matched will set the Match Status on PO_HDR and PO_LINE to 'M' and the PO will be eligible for closure when the batch PO Close process is run.
- When only a portion of the line has been vouchered & matched, the Match Status will remain 'Partial' (P), and will not be eligible to close when the batch PO Close process is run. If AP & PO determine that the PO will never be fully matched the PO can be finalized on the final voucher or manually (force) closed via the PO Reconciliation workbench.

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Match Rules

16	RULE_P400	Voucher Unit Price <> PO Unit Price + % Unit Tol	Exception	Always Continue	
17	RULE_R600	No receipt found, but unmatched ones exist	Exception	Always Continue	
18	RULE_R650	Voucher line amt > Sum of received amount	Exception	Always Continue	
19	RULE_R900	Total voucher received quantity > Accepted Qty	Exception	Always Continue	
20	RULE_R950	Voucher Quantity greater than Assoc. Receipt Qty	Exception	Always Continue	
21	RULE_V400	Life to Date > Sched Amt + % ext tol	Exception	Always Continue	
22	RULE_V500	Life to Date > Sched Amt + ext amt tol	Exception	Always Continue	
23	RULE_H200	Voucher Vendor/Loc <> PO Vendor/Loc	Exception	Always Continue	
24	RULE_P500	Voucher Unit Price <> PO Unit Price + Unit Tol	Exception	Always Continue	
25	RULE_R500	No receipts found	Exception	Always Continue	

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Matching Recap

1. Purchasing determines how the PO will be paid (Amount Only or Qty)
2. A receipt is created, if receiving is required
3. AP vouchers Purchase Orders
   - Changing the 'Distribute By' on the voucher does NOT affect Matching and subsequent Liquidation.
4. AP runs the Match Process which picks up only vouchers 'To Be Matched'
   - AP has the ability to change the Match Status on the Voucher that defaulted from the PO
   - Match Status' on PO Line and PO Header are updated to 'P' or 'M'

No Match POs will close when the Batch PO Close Process is run if the Due Date has passed, whether it has been vouchered or not.

It is recommended that all PO Lines are set to 'Full Match' or 'No Match' on any given PO.

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