Matching: The Relationship Between Purchasing and AP

Teresa Page
Agenda

• Purpose of Matching
• Relationship between Purchasing and AP
• Purchasing Dept Responsibilities
• Accounts Payable Dept Responsibilities
• To Override or Not to Override
• Effects of Overriding Match Exceptions
Purpose of Matching

• Matching is the process used to compare Vouchers with Purchase Orders and, when required, Receipts to ensure that your institution pays for only the goods and services that have been ordered and received

• Two-Way Match: Voucher and Purchase Order

• Three-Way Match: Voucher, Purchase Order and Receipt
Relationship between Purchasing and AP

• The tie that binds...MATCHING!

• Decisions made by each department can affect the other

• Communication is important to resolve Matching Exceptions the right way
Purchasing Responsibilities

• Ensure PO is set up correctly
  • Receiving Options
    • Receiving is Required
    • Receiving is Optional
    • Do Not Receive

• Quantity PO or Amount only PO?

• Matching Options
  • Full Match
  • No Match
  • All lines on a PO should have the same Matching requirement
The DEFAULT match tolerances and receiving requirement is defined on the Category Code setup page.
<table>
<thead>
<tr>
<th>Line</th>
<th>Item</th>
<th>Description</th>
<th>Receiving Required</th>
<th>Inspection Required</th>
<th>Inspect ID</th>
<th>Close Short</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Kneeling Chair with Orthopedic Back Pain Seat, Faux Leather - Manual Adjust, Helps Prevent Coccyx Pain, Kneeling Chair for Better Posture</td>
<td>Required</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>KECC Laptop Case for New MacBook Air 13&quot; Retina (2019/2018, Touch ID) w/Keyboard Cover + Sleeve + Screen Protector (4 in 1 Bundle) Plastic Hard Shell Case A1932 (Lonely Tree)</td>
<td>Required</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>SumacLife Cady Blue Laptop Carrier Bag for HP EliteBook / Elite / Pro x2 / ProBook Pavilion / Stream / ChromeBook 11&quot;-12&quot;inch</td>
<td>Required</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>Seventh Generation Disinfecting Multi-Surface Wipes, Lemongrass Citrus, 35 Count</td>
<td>Required</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Maintain Purchase Order

### Schedules

**Unit**: 98000  
**PO ID**: 0000516415  
**Supplier**: AMAZON-CAT-001  
**PO Date**: 07/26/2019  
**PO Status**: Dispatched

### Lines

<table>
<thead>
<tr>
<th>Line</th>
<th>Item</th>
<th>PO Qty</th>
<th>Merchandise Amt</th>
<th>Ext Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kneeling Chair with Orthopedic</td>
<td>1.0000</td>
<td>64.90 USD</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>KECC Laptop Case for New MacBo</td>
<td>1.0000</td>
<td>29.99 USD</td>
<td></td>
</tr>
</tbody>
</table>

### Schedules

<table>
<thead>
<tr>
<th>Sched</th>
<th>*Due Date</th>
<th>*Ship To</th>
<th>Match Status</th>
<th>Matching</th>
<th>Price Tolerance Over</th>
<th>Price Tolerance Under</th>
<th>% Unit Price Tolerance - Over</th>
<th>% Unit Price Tolerance - Under</th>
<th>Ext Price Tolerance</th>
<th>Ext Price Tolerance - Under</th>
<th>% Ext Price Tolerance - Over</th>
<th>% Ext Price Tolerance - Under</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>08/25/2019</td>
<td>MAIN</td>
<td>Matched</td>
<td>Full Match</td>
<td>500.00000</td>
<td>500.00000</td>
<td>10.00</td>
<td>10.00</td>
<td>500.00000</td>
<td>500.00000</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>1</td>
<td>08/25/2019</td>
<td>MAIN</td>
<td>Matched</td>
<td>Full Match</td>
<td>500.00000</td>
<td>500.00000</td>
<td>10.00</td>
<td>10.00</td>
<td>500.00000</td>
<td>500.00000</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Line</td>
<td>Item</td>
<td>Description</td>
<td>Physical Nature</td>
<td>*Price Qty</td>
<td>*Price Date</td>
<td>Amount Only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>------</td>
<td>------------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>------------</td>
<td>-------------</td>
<td>-------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td>Kneeling Chair with Orthopedic Back Pain Seat, Faux Leather - Manual Adjust, Helps Prevent Coccyx Pain, Kneeling Chair for Better Posture</td>
<td>Goods</td>
<td>Schedule Quantity</td>
<td>Due</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>KECC Laptop Case for New MacBook Air 13&quot; Retina (2019/2018, Touch ID) w/Keyboard Cover + Sleeve + Screen Protector (4 in 1 Bundle) Plastic Hard Shell Case A1932 (Lonely Tree)</td>
<td>Goods</td>
<td>Schedule Quantity</td>
<td>Due</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>SumacLife Caddy Blue Laptop Carrier Bag for HP EliteBook / Elite, Pro x2 / ProBook / Pavilion / Stream / ChromeBook 11&quot;-12inch</td>
<td>Goods</td>
<td>Schedule Quantity</td>
<td>Due</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>Seventh Generation Disinfecting Multi-Surface Wipes, Lemongrass Citrus, 35 Count</td>
<td>Goods</td>
<td>Schedule Guar</td>
<td>Due</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Accounts Payable Responsibilities

• Understand how creating a PO Voucher can affect Matching results

• Understand what the Match Exception means before deciding to override it, and what the effect will be if choice is to override

• If necessary, request Purchasing Dept to correct PO Matching and/or Receiving settings
Accounts Payable Responsibilities

• Creating Voucher using Worksheet option

  • Supplier Location and Address is pulled from the Supplier, NOT the PO

  • Adjust the Quantity or Amount BEFORE copying PO/Receipt into voucher
<table>
<thead>
<tr>
<th>Select</th>
<th>Unit Price</th>
<th>Line Number</th>
<th>Schedule Number</th>
<th>Item ID</th>
<th>Description</th>
<th>Quantity Voucher</th>
<th>UOM</th>
<th>Merchandise Amount</th>
<th>Currency</th>
<th>PO Qty</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>2049.00000</td>
<td>1</td>
<td>1</td>
<td></td>
<td>13-inch MacBook Pro with Touch</td>
<td>1.0000</td>
<td>EA</td>
<td>2040.00 USD</td>
<td></td>
<td>1.0000</td>
</tr>
<tr>
<td>☐</td>
<td>99.00000</td>
<td>2</td>
<td>1</td>
<td></td>
<td>Magic Mouse 2 - Space Gray</td>
<td>1.0000</td>
<td>EA</td>
<td>90.00 USD</td>
<td></td>
<td>1.0000</td>
</tr>
<tr>
<td>☐</td>
<td>49.00000</td>
<td>3</td>
<td>1</td>
<td></td>
<td>Thunderbolt 3 (USB-C) to Thunder</td>
<td>1.0000</td>
<td>EA</td>
<td>40.00 USD</td>
<td></td>
<td>1.0000</td>
</tr>
<tr>
<td>☐</td>
<td>19.00000</td>
<td>4</td>
<td>1</td>
<td></td>
<td>USB-C to USB Adapter</td>
<td>3.0000</td>
<td>EA</td>
<td>57.00 USD</td>
<td></td>
<td>3.0000</td>
</tr>
</tbody>
</table>
Defining Supplier ID here will cause the Default Supplier Location and Address, as defined in the Supplier file, to populate on the voucher.
To Override or Not to Override?
To Override or Not to Override?

PO Qty = 5
Voucher Qty = 5
Receiving Required, but No Receipt created

<table>
<thead>
<tr>
<th>Details</th>
<th>Match Rule</th>
<th>Voucher</th>
<th>Purchase Order</th>
<th>Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voucher quantity does not equal sum of receipt qty</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>No receipts found</td>
<td>04077021</td>
<td>0000415125</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2 ways to resolve these Match Exceptions without choosing to override. What are they?
To Override or Not to Override?

• If you override this exception, the PO Status will get updated to Partially Matched, and will NOT update to Matched.

  • The PO will NOT be eligible to be closed. The Purchasing Dept will have to manually force it to close.

  • The PO CAN be vouchered again, since the PO Match Status was not updated to Matched. However, Doc Tol will get an exception, which is a good double check, but those exceptions are often overridden as well.
To Override or Not to Override?

PO Qty = 5, PO Unit Price = $20.00
Voucher Qty = 5, Voucher Unit Price = $17.00 (Invoice came in with a lower unit price)
Receiving NOT Required

What is the best way to resolve this Match Exception? Why?
To Override or Not to Override?

This Match Exception will most likely require some research in order to determine the best way to resolve.

• Confirm you copied in the correct PO
• Confirm the final invoice amount is correct

If you determine that the final invoice price was less than the PO price, it is ok to override this Match exception.

The PO Match Status is updated to MATCHED, since the full Qty was vouchered.

The PO will be eligible to be closed, without further intervention.
To Override or Not to Override?

• PO Amount: $445.43
• Receipt Amount: $445.43
• 3 Vouchers
  • Voucher 1: $285.84
  • Voucher 2: $155.42
  • Voucher 3: $4.17

What is the best way to resolve these Match Exceptions?
Why?
To Override or Not to Override?

You should not override these Match Exceptions. The suggested steps to resolve them would be to manually associate the receipt, then run the Matching process again.

In this case, there are 3 Vouchers and 1 Receipt. Due to the document association rules, the system will not automatically match them to each other.
To Override or Not to Override?

PO Line Amount: $31.40
Voucher Line Amount: $6.28
Previously Voucher Line Amount: $31.40

What is the best way to resolve this Match Exception? Why?
To Override or Not to Override?

This Match Exception will most likely require some research in order to determine the best way to resolve.

The Match Exception is telling us that the voucher amount EXCEEDS the PO tolerance amount ($500 or 10%).

Determine if there is a valid reason for Exceeding the PO Amount.

Choose which action to take – Override, Correct the voucher amount, or Close/Delete if Voucher is a duplicate.
Purchase Order Inquiry

Purchasing>Purchase Orders>Review PO Information>Purchase Orders
Review Matching Status, Review Receiving Requirements, Review Matching Requirements

Purchase Order Inquiry

Purchase Order

Business Unit

PO ID 0000516661

PO Date 09/13/2019
Supplier Name FASTEN-CAT-001
Supplier ID CAT000194
PO Reference 93999-001-SPD0000114-0002

Amount Summary

- Merchandise: 31.26 USD
- Freight/Tax/Misc.: 0.00 USD
- Total: 31.26 USD

Lines

<table>
<thead>
<tr>
<th>Line</th>
<th>Item ID</th>
<th>Item Description</th>
<th>Category</th>
<th>PO Qty</th>
<th>UOM</th>
<th>Merchandise Amount</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>🌈</td>
<td>Filing Cabinets 16&quot;x16&quot;x15&quot; Bi</td>
<td>64025</td>
<td>1.0000</td>
<td>EA</td>
<td>31.26 USD</td>
<td>Approved</td>
</tr>
</tbody>
</table>
PO Header – Match Status
**PO Line Details – Receiving Requirements**

<table>
<thead>
<tr>
<th>Line Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical Nature</strong></td>
</tr>
<tr>
<td><strong>Merchandise Amt</strong></td>
</tr>
<tr>
<td><strong>Category</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Contract Set ID</strong></td>
</tr>
<tr>
<td><strong>Contract</strong></td>
</tr>
<tr>
<td><strong>Contract Line</strong></td>
</tr>
<tr>
<td><strong>Group ID</strong></td>
</tr>
<tr>
<td><strong>Release</strong></td>
</tr>
<tr>
<td><strong>Rebate ID</strong></td>
</tr>
<tr>
<td><strong>RFQ ID</strong></td>
</tr>
<tr>
<td><strong>Supplier Item ID</strong></td>
</tr>
<tr>
<td><strong>Supplier's Catalog</strong></td>
</tr>
<tr>
<td><strong>GPO Contract</strong></td>
</tr>
<tr>
<td><strong>Manufacturer ID</strong></td>
</tr>
<tr>
<td><strong>Mfg Item ID</strong></td>
</tr>
<tr>
<td><strong>Price Qty</strong></td>
</tr>
<tr>
<td><strong>Schedule</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Receiving Required</strong></td>
</tr>
<tr>
<td><strong>Configuration Code</strong></td>
</tr>
</tbody>
</table>

**Details for Line FASTEN-CAT-001**

- **Currency** | USD |
- **Category ID** | 04388 |
- **Version** |  |
- **Category Line** |  |
- **Original Substituted Item** |  |
- **Description** |  |
- **RFQ Line** |  |
- **GPO ID** |  |
- **GTIN** |  |
- **Price Date** |  |
- **Due** |  |
- **Device Tracking** |  |
- **Replenish Code** |  |
- **Inspect Code** |  |
- **Inspect ID** |  |
Trivia

• PO created as Do Not Receive and Do Not Match
  • When is it eligible to be closed?
  • What if a voucher has not yet been created & processed?
Helpful Queries

• BOR_VCHR_PO_NOTRECV:  Displays PO Lines that have been vouchered, but not yet received.

• BOR_PO_RECV_NO_VOUCHER: Displays PO Lines that have been received, but not yet vouchered.

• BOR_PO_NOT_RECEIVED: Displays PO Lines not yet received

• BOR_PO_OPEN_ENCS_KK: Displays PO’s with Open Encumbrances in KK
Questions?