Matching:
The Relationship Between Purchasing and AP

Teresa Page, ITS
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 & AP

• The tie that binds...MATCHING!

• Decisions made by each department can affect the other

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

Quantity PO or Amount Only PO?
Purchasing Responsibilities

Receiving Options
• Receiving is Required
• Receiving is Optional
• Do Not Receive

Default Receiving option defined on the Category Code (NIGP)
Purchasing Responsibilities

Ensure PO is set up correctly

Matching Options

• Full Match
• No Match
• All lines on a PO should have the same Matching requirement

Matching Tolerances: Defined on the Category Code (NIGP)
### Category Definition 2

**SetID**: SHARE  
**Category ID**: 00002  
**Code**: 00505

**Expand All**  
**Collapse All**

#### Item Category Detail

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/01/1900</td>
<td>Active</td>
</tr>
</tbody>
</table>

#### Matching Controls

<table>
<thead>
<tr>
<th></th>
<th>Tolerance Over</th>
<th>Tolerance Under</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unit Price Tolerance</strong></td>
<td>500.000000</td>
<td>500.000000</td>
</tr>
<tr>
<td><strong>% Unit Price Tolerance</strong></td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>Ext Price Tolerance</strong></td>
<td>500.000000</td>
<td>500.000000</td>
</tr>
<tr>
<td><strong>% Ext Price Tolerance</strong></td>
<td>10.00</td>
<td>10.00</td>
</tr>
</tbody>
</table>

#### Receiving Controls

- **Required**
- **Reject Qty Over Tolerance**
- **Qty Rcvd Tolerance %**: 0.00
- **Partial Qty**: Recvd
- **Early Ship Rjct Days**: 30
<table>
<thead>
<tr>
<th>Line</th>
<th>Item</th>
<th>PO Qty</th>
<th>MO Amount</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Item 1</td>
<td>1.0000</td>
<td>160.00 USD</td>
<td>Acct#404-230-6475-562-0350 F3I Recorder Analog</td>
</tr>
<tr>
<td>2</td>
<td>Item 2</td>
<td>1.0000</td>
<td>1134.00 USD</td>
<td>Acct# 404-299-5113-172-0366 CI</td>
</tr>
<tr>
<td>3</td>
<td>Item 3</td>
<td>1.0000</td>
<td>240.00 USD</td>
<td>Acct# 404-212-5774-001-0359 Ds</td>
</tr>
<tr>
<td>4</td>
<td>Item 4</td>
<td>1.0000</td>
<td>1824.53 USD</td>
<td>Acct# 578-212-7500-001-0621 PR</td>
</tr>
</tbody>
</table>
Accounts Payable Responsibilities
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: Quantity vs Amount Only, Matching and/or Receiving settings
Accounts Payable Responsibilities

Creating the Voucher

• Defining Supplier information on Add New Value tab

• Copy from Source Document
  – Copy in a Purchase Order in its entirety
  – Copy in a Purchase Order or Receipt using the Worksheet Copy option
Defining Supplier ID here will cause the Default Supplier Location and Address, as defined in the Supplier file, to populate on the voucher.
Accounts Payable Responsibilities

Copy from Source Document
Accounts Payable Responsibilities

Copy Worksheet

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>PO Lookup Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>39000</td>
<td>Return to invoice information</td>
</tr>
</tbody>
</table>

Additional Search Criteria

- Max Rows
- Search
- Copy Selected Lines

Select PO Lines

Select PO Lines

Select PO Lines

- Select
- Unit Price
- Line Number
- Schedule Number
- Item ID
- Description
- Quantity Voucher
- UOM
- Merchandise Amount
- Currency
- PO Qty
- UC

<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>
<th>UC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1700.00</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>FIRE SPRINKLER, FIRE PUMP INSPECTION</td>
<td>1.0000 EA</td>
<td></td>
<td>1700.00</td>
<td>USD</td>
<td>1.0000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1880.00</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>FIRE SPRINKLER, FIRE PUMP INSPECTION</td>
<td>1.0000 EA</td>
<td></td>
<td>1880.00</td>
<td>USD</td>
<td>1.0000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2860.00</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>FIRE SPRINKLER, FIRE PUMP INSPECTION</td>
<td>1.0000 EA</td>
<td></td>
<td>2860.00</td>
<td>USD</td>
<td>1.0000</td>
<td></td>
</tr>
</tbody>
</table>

**PO Number:** 0000517494
**PO Date:** 07/01/2016
Accounts Payable Responsibilities

Which option should I choose?

• Use the Copy PO option if you are FULLY vouchering all PO lines without making any changes

• Use the Copy Worksheet option if:
  • The Invoice amount or quantity is different than the associated PO
  • You only want to voucher certain lines of a PO
  • If copying in multiple POs to one 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

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, but will NOT get updated 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
  Total: $ 445.43

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.
To Override or Not to Override

PO exists
Voucher created
Receipt has not been created

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

• This Match Exception can’t be overridden
  – This rule replaced a v8.9 modification that was dropped when v9.2 was implemented
  – A receipt must be created, once the item is received
Finalizing a Purchase Order

• Finalize option on voucher if in an open accounting period
  – Button is not available if accounting period is closed

• Finalize at the header or distribution line level

• Finalizing a PO does NOT automatically close the PO. A PO is closed when the PO Close process is run, or when closed on the Buyer’s Workbench

• Undo Finalize is an option. This action can only be taken on the voucher where the Finalize was initiated.
Finalizing a Purchase Order
Purchase Order Inquiry

Purchasing > Purchase Orders > Review PO Information > Purchase Orders

- Review Matching Status
- Review Receiving Requirements
- Review Matching Requirements

![Purchase Order Inquiry Diagram]
PO Header – Match Status
PO Line Details – Receiving Requirements

<table>
<thead>
<tr>
<th>Line Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Nature: Goods</td>
</tr>
<tr>
<td>Merchandise Amt: 120.00</td>
</tr>
<tr>
<td>Category: 96168</td>
</tr>
<tr>
<td>Sports Professionals Services (Including Sports and Recreation)</td>
</tr>
<tr>
<td>Contract Set ID: 71000</td>
</tr>
<tr>
<td>Contract Line</td>
</tr>
<tr>
<td>Group ID</td>
</tr>
<tr>
<td>Release</td>
</tr>
<tr>
<td>Rebate ID</td>
</tr>
<tr>
<td>RFQ ID</td>
</tr>
<tr>
<td>Supplier Item ID</td>
</tr>
<tr>
<td>Supplier's Catalog</td>
</tr>
<tr>
<td>GPO Contract</td>
</tr>
<tr>
<td>Manufacturer ID</td>
</tr>
<tr>
<td>Mfg Item ID</td>
</tr>
<tr>
<td>Price Qty</td>
</tr>
<tr>
<td>Schedule</td>
</tr>
<tr>
<td>✔️ Withholding</td>
</tr>
<tr>
<td>Receiving Required: Do Not</td>
</tr>
<tr>
<td>Configuration Code</td>
</tr>
</tbody>
</table>

- **PO ID**: 0000415138
- **Line 1**: 5/25/13 Home Game (Men's Soccer)
- **Status**: Closed
- **Amount Only**: 0
- **Backorder Status**: Not Backordered
- **Currency**: USD
- **Category ID**: 07301
- **Version**
- **Category Line**
- **Original Substituted Item**
- **Description**
- **RFQ Line**
- **GPO ID**
- **GTIN**
- **Price Date Due**
- **Replenish Code**
- **Device Tracking**
- **Standard Inspect ID**
PO Schedule Details – Match Line Status

<table>
<thead>
<tr>
<th>Line</th>
<th>Item ID</th>
<th>Description</th>
<th>Due Date</th>
<th>Original Promise Date</th>
<th>Ship Date</th>
<th>Ship To</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8/25/13 Home Game (Man's Soccer/Darton vs. Monroe)</td>
<td>10/12/2013</td>
<td>10/12/2013</td>
<td>RECEIVING</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Schedule Details**

- **Due Date**: 10/12/2013
- **Original Promise Date**: 10/12/2013
- **Ship Date**: RECEIVING
- **Ship To**: RECEIVING

**Freight Terms**

- **Vendor Defined Shipping**: FOB DEST
- **FOB Destination**: [Vendor Name]

**Amount Summary**

- **PO Qty**: 1.0000
- **Merchandise Amount**: 120.00 USD
- **Doc. Base**: 120.00 USD

**Matching Controls**

- **Unit Price Tolerance**
  - **Over**: 500.00000
  - **Under**: 500.00000
- **% Unit Price Tolerance**: 10.00
- **Ext Price Tolerance**
  - **Over**: 500.00000
  - **Under**: 500.00000
- **% Ext Price Tolerance**: 10.00

**Receiving Controls**

- **Reject Qty Over Tolerance**
  - **Early Ship Reject Days**: 30
  - **Qty Rcvd Tolerance %**
  - **Close Under Qty %**
Helpful Queries

• **BOR_PO_VCHR_NOTRECV**: Displays PO Lines that have been vouched, but not yet received.

• **BOR_PO_NOT_RECEIVED**: Displays PO Lines not yet received

• **BOR_PO_AMOUNT_BY_PO**: Displays Open Encumbrances by PO ID

• **BOR_PO_ENC_AND_VCHR**: Displays PO encumbrance amounts with Vouchers by PO 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?