Matching: The Relationship Between Purchasing and AP

Teresa Page

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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

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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.

| Category Definition | **Category Definition 2** |

SetID **SHARE**   Category ID **00001**   Code **00500**

Expand All   Collapse All

Item Category Detail

Effective Date **03/22/2018**   Status **Active**

▼ **Matching Controls**

	Tolerance Over	Tolerance Under
Unit Price Tolerance	500.00000	500.00000
% Unit Price Tolerance	10.00	10.00
Ext Price Tolerance	500.00000	500.00000
% Ext Price Tolerance	10.00	10.00

▼ **Receiving Controls**

*Receiving Required   Required ▽   ☐ Inspection Required

☐ Reject Qty Over Tolerance   Inspect ID

Qty Rcvd Tolerance %   0.00   *Inspection UOM   Standard ▽

*Partial Qty   Recvd ▽

Early Ship Reject Days   30

Maintain Purchase Order

Schedules

Unit 98000

PO ID 0000516415

Supplier AMAZON-CAT-001

PO Date 07/26/2019

PO Status Dispatched

Return to Main Page

Lines

Find | View 1   First ◀ 1-7 of 7 ▶ Last

Line 1 **Item** Kneeling Chair with Orthopedic   **PO Qty** 1.0000 EA **Merchandise Amt** 64.98 USD

Schedules

Personalize | Find | View All | 🔲 | 🔳   First ◀ 1 of 1 ▶ Last

Details | Statuses | Shipment | **Matching** | Receiving | Freight | RTV | ⊞▶

Sched	*Due Date	*Ship To	Match Status	*Matching	Price Tolerance Over	Price Tolerance Under	% Unit Price Tolerance Over	% Unit Price Tolerance - Under	Ext Price Tolerance	Ext Price Tolerance - Under	% Ext Price Tolerance	% Ext Price Tolerance - Under
1	📑 08/25/2019	MAIN	Matched	Full Match	500.00000	500.00000	10.00	10.00	500.00000	500.00000	10.00	10.00

Line 2 **Item** KECC Laptop Case for New MacBo   **PO Qty** 1.0000 EA **Merchandise Amt** 29.99 USD

Schedules

Personalize | Find | View All | 🔲 | 🔳   First ◀ 1 of 1 ▶ Last

Details | Statuses | Shipment | **Matching** | Receiving | Freight | RTV | ⊞▶

Sched	*Due Date	*Ship To	Match Status	*Matching	Price Tolerance Over	Price Tolerance Under	% Unit Price Tolerance Over	% Unit Price Tolerance - Under	Ext Price Tolerance	Ext Price Tolerance - Under	% Ext Price Tolerance	% Ext Price Tolerance - Under
1	📑 08/25/2019	MAIN	Matched	Full Match	500.00000	500.00000	10.00	10.00	500.00000	500.00000	10.00	10.00

Lines ⑦

	Details	Ship To/Due Date	Statuses	Item Information	**Attributes**	RFQ	Contract	Receiving	〔▥▶

Line	Item	Description	Physical Nature	*Price Qty	*Price Date	Amount Only		
1	📄	Kneeling Chair with Orthopedic Back Pain Seat, Faux Leather - Manual Adjust, Helps Prevent Coccyx Pain, Kneeling Chair for Better Posture.	Goods	Schedule Quantity	Due	☐	⊞	⊟
2	📄	KECC Laptop Case for New MacBook Air 13" Retina (2019/2018, Touch ID) w/Keyboard Cover + Sleeve + Screen Protector (4 in 1 Bundle) Plastic Hard Shell Case A1932 (Lonely Tree)	Goods	Schedule Quantity	Due	☐	⊞	⊟
3	📄	SumacLife Cady Blue Laptop Carrier Bag for HP EliteBook / Elite , Pro x2 / ProBook / Pavilion / Stream / ChromeBook 11"-12inch	Goods	Schedule Quantity	Due	☐	⊞	⊟
4	📄	Seventh Generation Disinfecting Multi-Surface Wipes, Lemongrass Citrus, 35 Count	Goods ▾	Schedule Quar ▾	Due ▾	☑	⊞	⊟

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

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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

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Copy Worksheet

Business Unit | **Return to Invoice Information** | Voucher NEXT

PO Lookup Criteria

PO Business Unit [ ] 🔍 BOARD OF REGENTS   [Reset]   ☐ View Matched /Cancelled Only

PO Number From [0000516650] 🔍   PO Number To [ ] 🔍

PO Line Number From [ ] 🔍   PO Line Number To [ ] 🔍

*PO Date Option [No Date ▾]   PO Date [ ] 📅

▶ Additional Search Criteria

Max Rows [ ]   [Search]   [Copy Selected Lines]

Select PO Lines

Find | View All   First ◀ 1 of 1 ▶ Last

PO Unit [ ]   PO Number 0000516650

Supplier ID 0000004115   Apple Computer, Inc.   PO Date 09/12/2019

☑ Select All   ☐ Deselect All

Select PO Lines

Personalize | Find | View 1 | 🔗 | 📊   First ◀ 1-11 of 11 ▶ Last

| Main Information | Contract Information |

Select	Unit Price	Line Number	Schedule Number	Item ID	Description	Quantity Vouchered	UOM	Merchandise Amount	Currency	PO Qty	U
☐	2049.00000	1	1		13-inch MacBook Pro with Touch	1.0000	EA	2049.00	USD	1.0000	E
☐	99.00000	2	1		Magic Mouse 2 - Space Gray	1.0000	EA	99.00	USD	1.0000	E
☐	49.00000	3	1		Thunderbolt 3 (USB-C) to Thund	1.0000	EA	49.00	USD	1.0000	E
☐	19.00000	4	1		USB-C to USB Adapter	3.0000	EA	57.00	USD	3.0000	E

Defining Supplier ID here will cause the Default Supplier Location and Address, as defined in the Supplier file, to populate on the voucher.

Voucher

Find an Existing Value | Keyword Search | **Add a New Value**

Business Unit [   ]🔍
Voucher ID [NEXT]
Voucher Style [Regular Voucher ▾]
Supplier Name [   ]🔍
Short Supplier Name [   ]🔍
Supplier ID [   ]🔍
Supplier Location [   ]🔍
Address Sequence Number [0]🔍
Invoice Number [   ]
Invoice Date [   ]📅
Gross Invoice Amount [0.00]
Freight Amount [0.00]
Misc Charge Amount [0.00]
PO Business Unit [   ]🔍
PO Number [   ]🔍
Estimated No. of Invoice Lines [1]

[Add]

Find an Existing Value | Keyword Search | Add a New Value

To Override or Not to Override?

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To Override or Not to Override?

PO Qty = 5

Voucher Qty = 5

Receiving Required, but No Receipt created

Match Rules

	Rules	Override Options				
Details	**Match Rule**			**Voucher**	**Purchase Order**	**Receiver**
🚫 📑	Voucher quantity does not equal sum of receipt qty			5	5	0
🚫 📑	No receipts found			04077021	0000415125	

2 ways to resolve these Match Exceptions without choosing to override. What are they?

To Override or Not to Override?
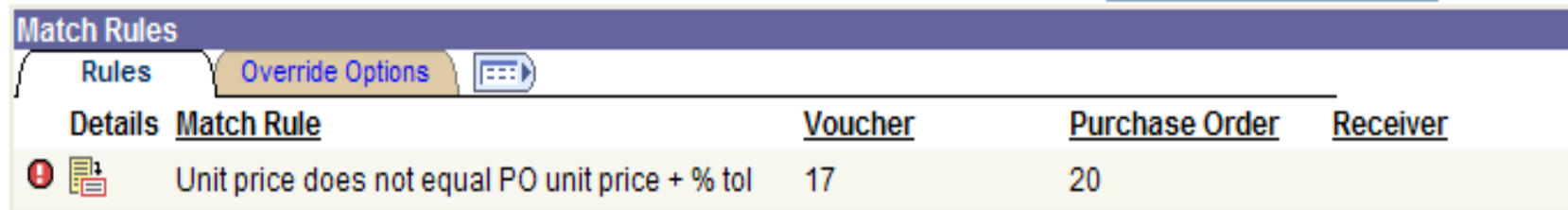
- If you override this exception, the PO Status will get updated to Partially Matched, and will NOT update to Matched.

    - 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.

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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

Match Rules				
Rules	Override Options			
Details	Match Rule	Voucher	Purchase Order	Receiver
⊘	Unit price does not equal PO unit price + % tol	17	20	

What is the best way to resolve this Match Exception? Why?

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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.

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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

Match Rules

Rules	**Override Options**			
Details	**Match Rule**	**Voucher**	**Purchase Order**	**Receiver**
❗ 📋	No receipt found, but unmatched ones exist	04140324	0000427391	
❗ 📋	Voucher line amt > Sum of received amount	285.84		0

What is the best way to resolve these Match Exceptions?

Why?

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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 Vouchered Line Amount: $31.40

Match Rules

Rules	Override Options	

Details	Match Rule	Voucher	Purchase Order	Receiver
🔴 📑	Life to Date > Sched Amt + % ext tol	6.28	31.4	

What is the best way to resolve this Match Exception?
Why?

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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

PO Header – Match Status

PO Line Details – Receiving Requirements

Details for Line FASTEN-CAT-001

Line Details

Physical Nature	Goods		
Merchandise Amt	31.26	Currency	USD
Category	64025	Category ID	04388
	Corrugated Boxes and Sheets, Including Fillers		
Contract SetID	POCON		
Contract		Version	
Contract Line		Category Line	
Group ID		Original Substituted Item	
Release		Description	
Rebate ID			
RFQ ID		RFQ Line	
Supplier Item ID	0529550		
Supplier's Catalog			
GPO Contract		GPO ID	
Manufacturer ID	OFFICE DEPOT INC	GTIN	
Mfg Item ID	987304		
Price Qty	Schedule	Price Date	Due
☐ Withholding		☐ Device Tracking	
Receiving Required	Required	Replenish Code	Standard
☐ Inspect		Inspect ID	
Configuration Code			

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PO Schedule Details – Match Line Status

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

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Questions?

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