Invoice Review and Matching Exceptions
Agenda

Invoice review tips

- Workflow stops
- Filtering invoices
- Assigning invoices

Matching Exceptions

- When do invoices route here?
- What to look for during review.
- When to force match.
- What happens after approval?
Invoice review tips
## Workflow stops

There are several invoice workflow stops that require department action:

<table>
<thead>
<tr>
<th>Workflow stop</th>
<th>Trigger</th>
<th>Action Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>FO Treaty Check</td>
<td>Supplier’s profile contains a non-US country of origin and the “Gross up?” question in Tax Information section was not completed.</td>
<td>Log a comment on the invoice stating whether the payment should be grossed up. Contact University Tax Services at <a href="mailto:taxpayer@iu.edu">taxpayer@iu.edu</a> for more information regarding payment gross up.</td>
</tr>
<tr>
<td>Matching Exceptions</td>
<td>Invoice exceeds acceptable matching tolerances and requires additional review.</td>
<td>Review supplier invoice image for accuracy, ensure supplier invoice was matched correctly to PO and proper receipts logged.</td>
</tr>
<tr>
<td>Recurring Payment Review</td>
<td>Invoice with a value of $5,000 or more pairs against a recurring purchase order (PO).</td>
<td>Ensure invoice is correct and proper receipts have been logged on the PO.</td>
</tr>
</tbody>
</table>
Filtering invoices

- BUY.IU does not group invoices based on these workflow stops. Instead, they’re grouped by funding account.
  - Invoice approvers are driven by the PREQ document type in KFS, which is driven by chart of accounts.
- Use filters in left-hand menu to review one workflow stop at a time.
  - Helps avoid “switching gears” between different invoices.
Assigning invoices

- Can only assign an invoice to yourself, not another user.
- Once an invoice is assigned to you, other approvers are not able to act on the document.
  - A way to call “dibs” on an invoice.
- Assigning an invoice allows you to:
  - Edit account and object code fields.
  - Add an Ad-hoc approver.
  - Force match an invoice.
Demonstration

1. Filtering invoices
2. Assigning invoices
Matching Exceptions
When do invoices route here?

An invoice exceeds at least one of the tolerances built into BUY.IU:

- Invoice extended price is within 10% or $250, whichever is less, of PO.
- Invoice line item value is within 10% or $250, whichever is less, of corresponding PO line items.
- Invoice line item quantities are within 10% of corresponding PO line items.
- Receipt document logged on PO within 10% or $250 of quantities/amounts invoiced.

Note: tolerances for all subaward invoices is zero.
What to look for during review

Supplier invoice correct?
- No? Reject/Cancel invoice and notify supplier.

Invoice and PO match correct?
- No? Log a comment and request iuaphelp@iu.edu correct invoice.

Receipt logged?*
- No? Ping PO Owner or appropriate individual to log receipt.

*Receipts are not always required. See When is Receiving Required? document for more details.
When to force match

• Force match is an option available during invoice approval.
  • Must assign invoice in order to see this option!
• Force matching an invoice causes the PO to close once the invoice reaches Payable status.
  • Appropriate when order is **complete** and should be closed.
• **SOP-PURCH-20** describes many situations when force match is and is not appropriate.
What happens after approval?

• All invoices which are approved out of the Matching Exceptions workflow stop route to Purchasing for additional review.
  • Subaward invoices route to ORA for additional review.

• Purchasing checks to see if:
  • A change request is needed.
  • Appropriate receipts were logged.
  • The invoice contains unallowable charges (due to contract).
Demonstration

1. Matching Exception review steps.
2. Performing a force match.
Resources

- Assign a Substitute Approver
- When is Receiving Required?
- SOP-PURCH-20: Force Match Guidelines
- When to Reject/Cancel an Invoice
- E-Invoices newsletter article
- How to Read a BUY.IU Invoice
- Invoice Approval Flowcharts
Thank you!