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PeopleSoft IR- #44

LSUNO - Encumbrance Analysis Tips

Scope:

This PeopleSoft (PS) Information Release (IR) applies to the LSUNO Financial Community responsible for management and analysis of their PeopleSoft Financial accounts within their departments.

Purpose:

The purpose is to supplement the PeopleSoft Financials 7.5 - Managing Encumbrances course by providing numerous Tips on analyzing all Encumbrance amounts on departmental accounts.

Module:

The IR affects the Purchasing, Accounts Payable, and General Ledger Modules in Financials Production and Financials Reporting.

Source:

The source of this IR is as a result of a new Training enhancement tool.

Procedures

***Parameters* –** The end user should follow the guidelines below for this procedure to be successful:

Database: Please access PS Financial Reporting (PSFSRPT)
Attend Training Course: These tips will be more relevant for those who have attended the PeopleSoft Financials 7.5 Managing Encumbrances course.
Run the following PeopleSoft Query To Excel: CLEANUP_PO_ACTIVITY

ENCUMBRANCE ANALYSIS TIP #1

GOAL:

Find all “Blanket”, “Maintenance”, or “Standing” purchase orders that have no vouchers (payments) for the fiscal year.

ADDITIONAL INFO:

- Determine if the PO Line needs to be cancelled or the encumbrance (Original Amount) reduced.
- Determine if department has received the goods or services and/or a “Signature requested” AP Routing Request form has been forwarded to the department requesting approval for payment on the PO.

DETAIL PROCESS:

1. Run query to Excel Public Query **CLEANUP_PO_ACTIVITY**.
2. Enter “Department’s 7-Digit ID” at the Department prompt.
3. At the Accounting Date prompts enter “from” and “to” accounting date ranges.
   - Generally should be run by fiscal year date range of 07/01/XX to 06/30/XX.
4. Auto-Filter (Excel) query results as follows:
   a. **PO Type** = “Blanket”, “Maintenance”, or “Standing”
   b. **Distribute by** = *Amount*
   c. **Vouchered Amt** = 0.00
5. Save Query using a name that denotes the results (i.e. **BLANKETS WITH NO ACTIVITY**)

RESULTS:

A listing of “Blanket”, “Maintenance”, or “Standing” purchase orders that have no vouchers (payments) against them for the fiscal year.

ACTION REQUIRED:

1. Determine if the PO line is no longer required or is not expected to spend the encumbered (Original Amount) by the Fiscal Year End.
2. If the PO Encumbrance is no longer required, use spreadsheet **“Action Needed”** column to indicate ***PO Line should be cancelled***. Email the appropriate “Buyer” listed on the query for that PO. Attach the Excel query results for follow-up.
3. If the PO Encumbrance (Original Amount) needs to be reduced, use spreadsheet **“Action Required”** column to indicate ***PO Line should be reduced by $XX.XX dollars***. Email the appropriate “Buyer” listed on the query for that PO. Attach the Excel query results for follow-up.
   TIP:
   If there are several POs that need to be cancelled or changed ordered by different “Buyers”, email all buyers at once with the spreadsheet attached noting in the **“Action Needed”** column the appropriate step to be taken by each Buyer.
4. If it is determined goods or services have been received on the PO and a “Signature Requested” AP Routing Request form is received, return the approved invoice (s) w/AP Routing Request form to AP for processing of payment on the PO.

ENCUMBRANCE ANALYSIS TIP #2

GOAL:

Find all PO Line(s) requiring "Receipt" into PeopleSoft (PS) that have not been received into PS.

ADDITIONAL INFO:

- Determine if the goods were actually ordered or expected to be physically received.
- Determine if the goods have physically been received.
- Take steps to cancel PO Lines that were never actually used and/or the goods are not expected to be physically received.
- Take steps to have the goods that have been physically received to be "received" (entered) into PeopleSoft, so Accounts Payable can voucher (Pay).

DETAIL PROCESS:

1. Run Query to Excel Public Query **CLEANUP_PO_ACTIVITY**.
2. Enter "Department's 7-Digit ID" at the Department prompt.
3. At the Accounting Date prompts enter "from" and "to" accounting date ranges.
   - Generally should be run by fiscal year date range of 07/01/XX to 06/30/XX.
4. Auto-Filter (Excel) query results as follows:
   a. **Receipt** = *PO Not Received*
   b. **Status** = *To Match*
   c. **Rule** = *Three_Way*
5. Save Query using a name that denotes the results (i.e. **POs NOT RECEIVED**)

RESULTS:

A listing of all POs that require receipt into PeopleSoft but have not been received in order for Accounts Payable to match and voucher (Pay).

ACTION REQUIRED:

1. Determine if the goods were actually ordered or expected to be received.
2. If the goods were *not* actually ordered or if the goods *are not expected to be physically received*, use spreadsheet **"Action Needed"** column to indicate ***PO Line should be reduced or cancelled***. Email the appropriate "Buyer" listed on the query for that PO. Attach the Excel query results for follow-up
3. If the goods *were actually ordered and physically received*, department is responsible for receiving in the PS system. AP is unable to Voucher (process for payment) until items invoiced are 'received' in PS.

ENCUMBRANCE ANALYSIS TIP #3

GOAL:

Find all "Blanket", "Maintenance", or "Standing" purchase orders that have vouchers (payments) for the fiscal year.

ADDITIONAL INFO:

- Determine if the PO Line encumbrance (Original Amount) needs to be *increased* or *reduced*.

DETAIL PROCESS:

1. Run Query to Excel Public Query **CLEANUP_PO_ACTIVITY**.
2. Enter "Department's 7-Digit ID" at the Department prompt.
3. At the Accounting Date prompts enter "from" and "to" accounting date ranges.
   - Generally should be run by fiscal year date range of 07/01/XX to 06/30/XX.
4. Auto-Filter (Excel) query results as follows:
   a. **PO Type** = "Blanket", "Maintenance", or "Standing"
   b. **Distribute by** = *Amount*
   c. **Vouchered Amt** > 0.00
5. Save Query using a name that denotes the results (i.e. **BLANKETS WITH ACTIVITY**)

RESULTS:

A listing of "Blanket", "Maintenance", or "Standing" purchase orders that have vouchers (payments) against them for the fiscal year.

ACTION REQUIRED:

1. Determine if the PO line is no longer required or is not expected to spend *more* or *less* than encumbered (Original Amount) by the Fiscal Year End.
2. If the PO Encumbrance is no longer required and is 'distributed by QUANTITY', use spreadsheet **"Action Needed"** column to indicate ***PO Line should be reduced*** by the amount of the **"Remaining Amt"** column. Email the appropriate "Buyer" listed on the query for that PO requesting that the PO be **Changed Ordered** to reduce the encumbrance. If the PO Encumbrance is no longer required, and is 'distributed by AMOUNT', Use the spreadsheet "**Action Needed**" column to indicate which PO Line(s) should be '**finalized**' by AP (the last voucher number for each respective PO line must be provided). Attach the Excel query results for follow-up. Email the AP Manager, Linda Bourgeois (lbour4@lsuhsc.edu).
3. If the PO Encumbrance (Original Amt) needs to be *increased* or *decreased*, use spreadsheet **"Action Needed"** column to indicate ***PO Line should be increased or decreased by $XX.XX dollars***. Email the appropriate "Buyer" listed on the query for that PO requesting that the PO be **Changed Ordered** to increase or reduce the encumbrance. Attach the Excel query results for follow-up.
   TIP:
   If there are several POs that need to be cancelled or changed ordered by different "Buyers", email all buyers at once with the spreadsheet attached noting in the **"Action Needed"** column the appropriate step to be taken by each Buyer.

ENCUMBRANCE ANALYSIS TIP #4

GOAL:

Find all POs requiring matching that have been received or partially received into PeopleSoft but *have not been* matched and vouchered (paid) by Accounts Payable.

ADDITIONAL INFO:

- None

DETAIL PROCESS:

1. Run Query to Excel Public Query **CLEANUP_PO_ACTIVITY**.
2. Enter "Department's 7-Digit ID" at the Department prompt.
3. At the Accounting Date prompts enter "from" and "to" accounting date ranges.
   - Generally should be run by fiscal year date range of 07/01/XX to 06/30/XX.
4. Auto-Filter (Excel) query results as follows:
   a. **PO Type** = "Blanket", "Maintenance", or "Standing"
   b. **Distribute by** = *Quantity*
   c. **Receipt Status** = *PO Partially Received*
   d. **Status** = *To Match*
   e. **Vouchered Amt** = 0.00
5. Save Query using a name that denotes the results (i.e. **POs RECEIVED NOT PAID**)

RESULTS:

A listing all Purchase Orders that have been "received" or "partially received" into PeopleSoft but have not been vouchered (paid) by Accounts Payable.

ACTION REQUIRED:

1. If an original invoice exists in the department, forward that invoice to Accounts Payable for payment. LSUSHSC-New Orleans' policy requires that all original invoices be mailed directly to Accounts Payable at the following address:
   Louisiana State University Health Sciences Center
   Account Payable
   433 Bolivar Street
   New Orleans, LA 70112
2. Otherwise, using the spreadsheet **"Action Needed"** column note that the **PO has been received and ready to pay**. Email AP Manager - Linda Bourgeois (lbour4@lsuhsc.edu) with attached spreadsheet for follow-up.

ENCUMBRANCE ANALYSIS TIP #5

GOAL:

Find all Two-Way Match (Signature required for payment) POs that have not been vouchered (paid).

ADDITIONAL INFO:

- Determine if the goods or services on the PO have been delivered; or if the goods or services are not needed and will not be delivered, the PO needs to be cancelled.
- Take steps to notify Accounts Payable the goods or services have been delivered and the PO is approved to pay, or take steps to cancel any POs that are no longer needed.

DETAIL PROCESS:

1. Run Query to Excel Public Query **CLEANUP_PO_ACTIVITY**.
2. Enter “Department’s 7-Digit ID” at the Department prompt.
3. At the Accounting Date prompts enter “from” and “to” accounting date ranges.
   - Generally should be run by fiscal year date range of 07/01/XX to 06/30/XX.
4. Auto-Filter (Excel) query results as follows:
   a. **Rule** = TWO_WAY
   b. **Vouchered Amt** = 0.00
5. Save Query using a name that denotes the results (i.e. **TWO WAY SIGNATURE REQUIRED**)

RESULTS:

A listing of all POs that are Two-Way Match required (signature required for payment) that have not been vouchered (paid) by Accounts Payable.

ACTION REQUIRED:

1. Determine if the goods or services on the PO have been received or if the PO is no longer needed.
2. If the PO is no longer required, use spreadsheet **“Action Needed”** column to indicate ***Cancel PO***. Email the appropriate “Buyer” listed on the query for that PO. Attach the Excel query results for follow-up.
3. If the goods or services have been received, and the department has received an invoice w/“AP Routing Request” form, return the AP Routing Request (with the signed copy of the invoice attached) to the AP Accounting Specialist who requested approval so Accounts Payable can make payment on the PO. Use spreadsheet **“Action Needed”** column to indicate ***Signature was provided on xx/xx/xx (date)***. Email AP Manager – Linda Bourgeois (lbour4@lsuhsc.edu) with attached spreadsheet for follow-up.
4. If an AP Routing Request, along with a signed invoice, has been forwarded to Accounts Payable, contact AP Manager - Linda Bourgeois (lbour4@lsuhsc.edu) to determine why payment has not been made. Use spreadsheet **“Action Needed”** column to indicate ***Signature was provided on xx/xx/xx (date)*** as an attachment for follow-up.

Questions/Comments:

Refer all questions or comments via e-mail to the **PeopleSoft Support Training Department**.