Match Exceptions: Overview and Handling

PB: ADELINE COE   • 6 MARCH 2024   UVA

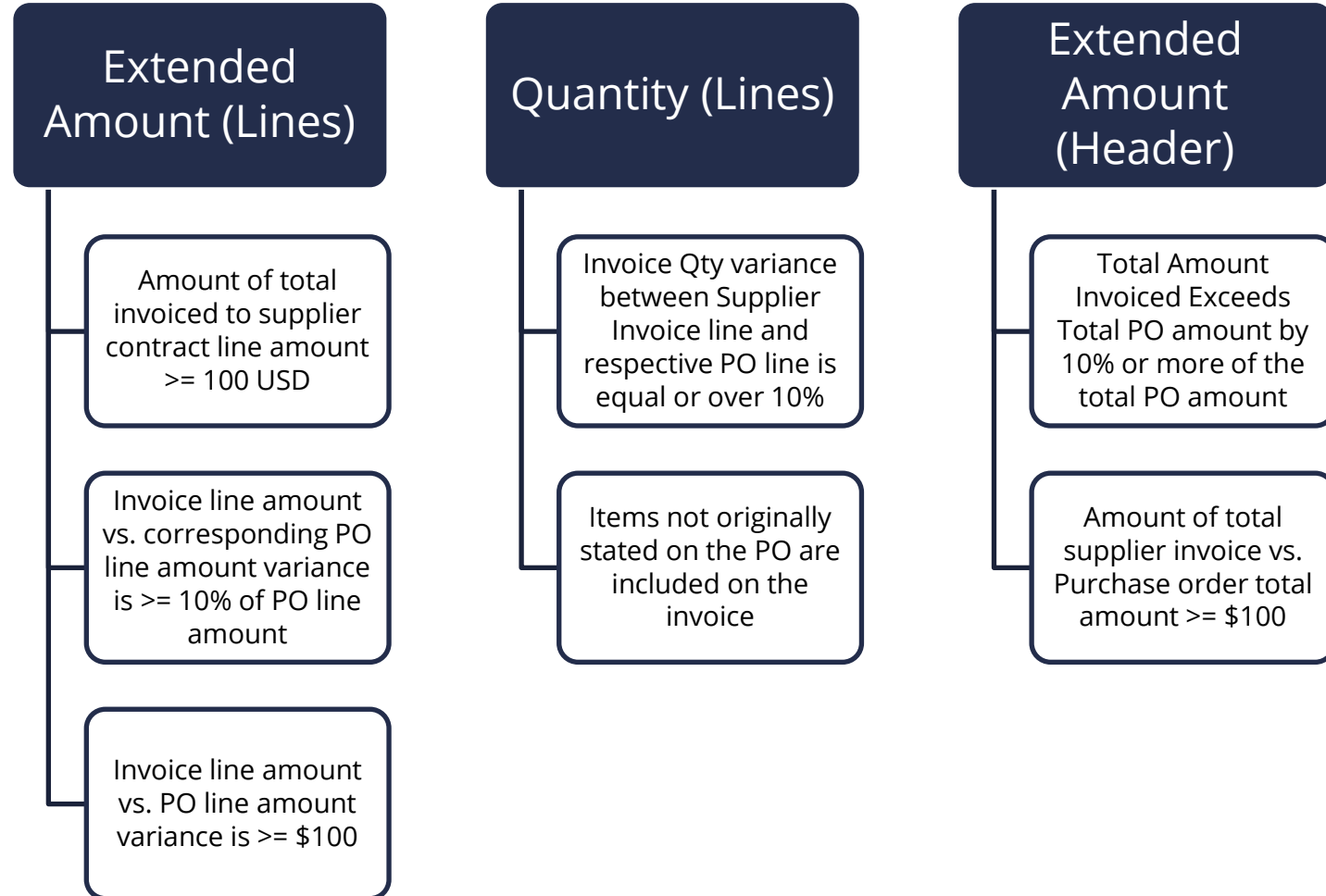*Fiscal Administrators Meeting*

Overview

Match Exceptions | What causes a match exception?

A **match exception** is an invoice status that occurs when there is a discrepancy between the purchase order and what is on the invoice being matched against the purchase order.

Match exceptions can be simplified into three statements:

- Any extended amount discrepancy on the line or header level equal to or exceeding **10%** or **$100**, **whichever is lower**, will go into match exception.

- Any quantity discrepancy on the line level equal to or over **10%** will go into match exception.

- Any invoice item without a corresponding PO line to match to will go into match exception

Extended Amount (Lines)

- Amount of total invoiced to supplier contract line amount >= 100 USD

- Invoice line amount vs. corresponding PO line amount variance is >= 10% of PO line amount

- Invoice line amount vs. PO line amount variance is >= $100

Quantity (Lines)

- Invoice Qty variance between Supplier Invoice line and respective PO line is equal or over 10%

- Items not originally stated on the PO are included on the invoice

Extended Amount (Header)

- Total Amount Invoiced Exceeds Total PO amount by 10% or more of the total PO amount

- Amount of total supplier invoice vs. Purchase order total amount >= $100

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Match Exceptions | What causes a match exception?

Match Exceptions can occur for many reasons, some of which can be avoided:

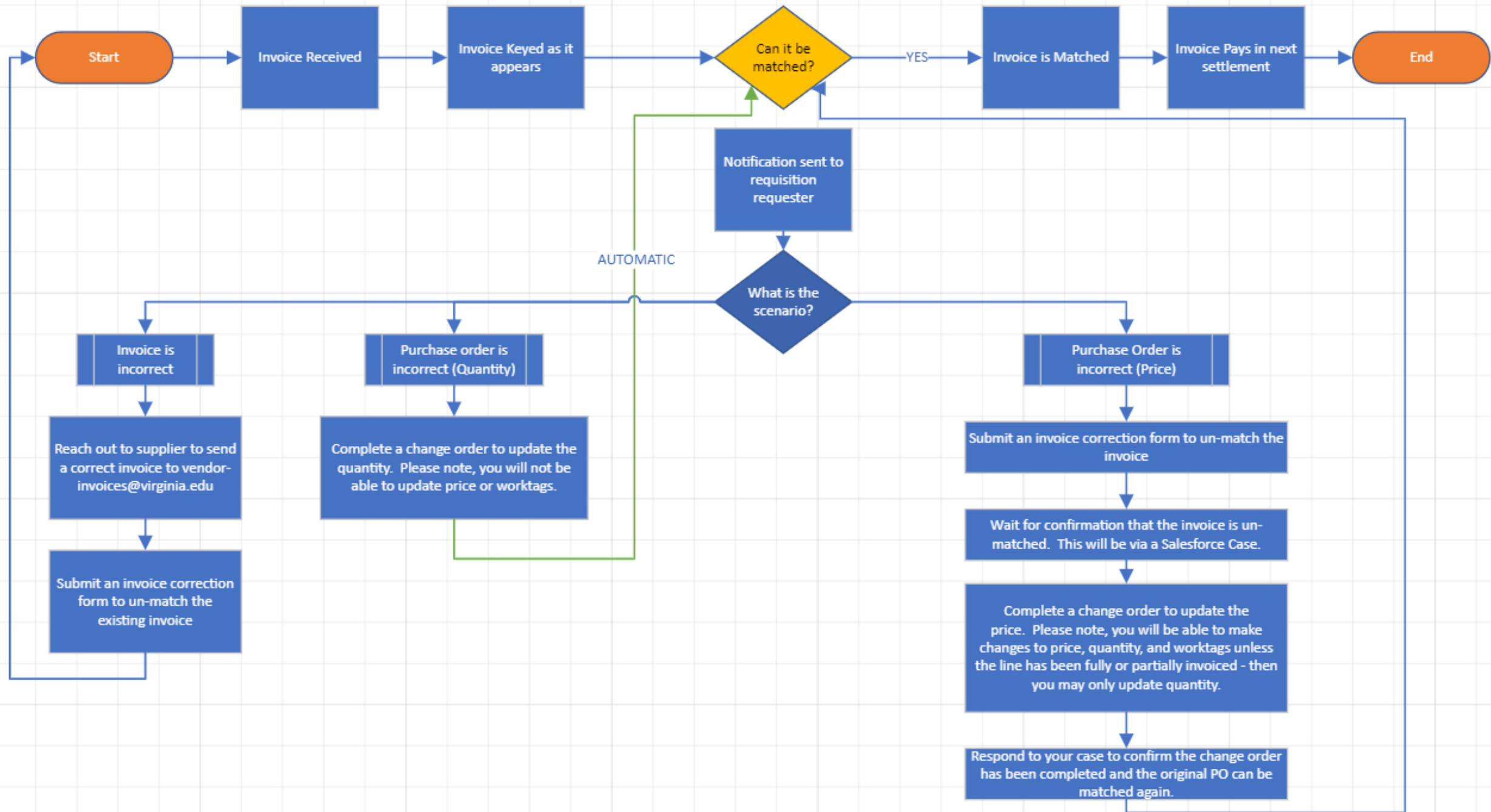| Price / Quantity Flip (aka Blanket Orders)	The Price/Quantity flip is an outdated practice from our Oracle System, carried into initial Workday use. It involves reversing price and quantity on purchase order lines to allow multiple invoices to match against a single line. However, suppliers typically don't invoice this way, leading to manual intervention to avoid match exceptions.	Utilize Service Lines in Workday (for services)
Unknown Costs / Change in Scope	Sometimes, unexpected costs or increases to scope happen. Once you are aware that new costs are likely coming for your order, ask for a proforma invoice from the supplier and use that to update or add these new costs to the purchase order.	Proactive PO Updates
Quote / PO Mismatch	When you receive a quote from the supplier, try to enter the PO lines in a way that matches the quote exactly. Their invoice will likely match their quotation exactly.	Match the Supplier Quote
Mistakes	Mistakes happen – both on our side and the supplier's side. If you find that a supplier continues to make the same mistakes, even after a discussion, escalating this to AskFinance attn: Invoice Processors is the next step.	

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Releasing Match Exceptions

```
Start → Invoice Received → Invoice Keyed as it appears → [Can it be matched?] → YES → Invoice is Matched → Invoice Pays in next settlement → End
```

Start

Invoice Received

Invoice Keyed as it appears

Can it be matched? → YES → **Invoice is Matched** → **Invoice Pays in next settlement** → **End**

Notification sent to requisition requester

AUTOMATIC

What is the scenario?

Invoice is incorrect

Reach out to supplier to send a correct invoice to vendor-invoices@virginia.edu

Submit an invoice correction form to un-match the existing invoice

Purchase order is incorrect (Quantity)

Complete a change order to update the quantity. Please note, you will not be able to update price or worktags.

Purchase Order is incorrect (Price)

Submit an invoice correction form to un-match the invoice

Wait for confirmation that the invoice is un-matched. This will be via a Salesforce Case.

Complete a change order to update the price. Please note, you will be able to make changes to price, quantity, and worktags unless the line has been fully or partially invoiced - then you may only update quantity.

Respond to your case to confirm the change order has been completed and the original PO can be matched again.

Match Exceptions | Procedure

The business process has been designed to notify the requisition requester that a match exception has occurred and prompt them to act accordingly. However, the following action is dependent on the requisitioner understanding the nature of the exception.

Is the Invoice Incorrect?	Is the PO Incorrect? (Quantity)	Is the PO Incorrect (Extended Amount)
• Reach out to the supplier • Request a new Invoice • Submit an Invoice Correction Form to remove the already matched invoice	• Initiate a Change Order in Workday • Submit the change Order • The match rules will run again and, if the change order is accurate, release the match exception	• Submit an invoice correct form asking to un-match the invoice from the purchase order • Initiate and submit a change order • Respond back to your salesforce case asking to rematch the invoice

Central Finance does not override match exceptions.

Addressing match exceptions is the responsibility of the department and requisitioner. We are always happy to help navigate any necessary changes but cannot make decisions on the behalf of the requisitioner.

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Available Reports

Match Exceptions on Supplier Invoices

1. Run an unfiltered report
2. Export the Report into Excel
3. Find **Column T**, called "Cost Center"
4. Using the Filter Function in excel, filter on only the cost centers you are responsible for
5. These are all of the pending match exceptions in those cost centers
6. Look at **column W** to see who the requisitioner is on the purchase order; this person is responsible for releasing the match exception.

R	S	T	U	V	W	X
Supplier Invoice Lines					Supplier Invoice Requisitions	Supplier Invoice Lines
Extended Amount	Line Match Exception Reasons	Cost Center	Purchase Order Line	Has Requisition	Requested By	P2P Approver
146.51	Invoice Qty variance between Supplier Invoice line and the respective PO line is equal or over 10%		PO-0136277 - Line 3	Yes		
14.89	Invoice line amount vs corresponding PO line amount variance is >= 10% of PO line amount		PO-0082181 - Line 1	Yes		
33.76	Invoice Qty variance between Supplier Invoice line and the respective PO line is equal or over 10%		PO-0138448 - Line 1	Yes		
287.62	Invoice line amount vs corresponding PO line amount variance is >= 10% of PO line amount Invoice Line Amount vs PO Line Amount Variance is >= $100 Invoice Qty variance between Supplier Invoice line and the respective PO line is equal or over 10%		PO-0137545 - Line 16	Yes		

The cost center used on the line that triggered the match exception will be listed in this column

The requisitioner's name will be listed in this column

The P2P Approver(s) for the cost center used on the line will be listed in this column

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Match Exceptions | Current State & Looking Forward

Requested Updates

- We have requested a report enhancement to allow you to filter by cost center(s) in Workday, eliminating the need to export to excel and filter.

New Process

The Invoice Processing Team will start concerted efforts to reach out to requisition requesters to ask and assist them in resolving open match exceptions that are significantly aged.

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