



## PO Types, Encumbrances, & How Payments are Processed

This guide describes the different types of purchase orders (POs) that may be processed in the **ADMINS Unified Community for Windows (AUC)**. The Purchase Order module is a **quantity-based** system. Blanket, Emergency, Regular, and Zero Tolerance Purchase Orders are discussed.

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# 1 Types of POs

Use the table below to decide on which type of Purchase Order (PO) to use. The tolerance for POs is discussed in section 9 below.

**Table 1 Determining the PO type to Use**

	Is the PO based on a Contract?	Set PO Type to	Enter Quantity on PO?	Can I overpay?
<b>Yes</b>	Is it for a flat dollar amount? (e.g., annual maintenance)?	Z equal to zero tolerance	No	No
	Is it for a fixed # of Units? (e.g., 12 flu clinics)?	Z equal to zero tolerance	Yes	No
	Is it for a Fixed Unit Price (e.g., hourly rate)?	Z equal to zero tolerance	Yes, if purchasing a specific number of Units	No
<b>No</b>	Is it a flat dollar amount? Conference fee Training service	R equal to Regular or B equal to Blanket	No	Yes, within tolerance
	Is it for a fixed # of Units but differing prices? e.g., 10 hours @ \$100/hr 10 hours @ \$125/hr	R equal to Regular	Yes - either do one line for a lump sum and use the description field, or enter these as separate lines on the PO.	Yes, within tolerance
	Is it for a Fixed Unit Price but differing quantities? xx boxes of Pencils @ \$2/ea xx boxes of Pen @ \$3/ea	R equal to Regular or B equal to Blanket	Yes, but enter the anticipated maximum to be purchased such as "999"	Yes, within tolerance

## 2 Regular PO Type

A regular PO is used to purchase a specific type of good from a specified vendor and can use a quantity or leave it blank. Examples include purchasing maintenance services, professional services, and goods from a single vendor.

### 2.1 Maintenance PO

If the contract is for annual maintenance services and there is a flat monthly charge that does not change:

#### 2.1.1 Specify a Quantity for the Regular PO

- Enter a quantity (e.g., "12" for 12 monthly payments or "4" for quarterly payments)
- Set the PO Type to "R" for Regular



PO Query - Posted [TRAINING] Closed SALAFIN

**PO #** 300931

**Vendor Code** 002826 01  
UTILITY COMMUNICATIONS  
920 SHERMAN AVENUE  
HAMDEN  
CT 06514-0000

**Dept Code** PRPARKREC Parks & Rec: Pa  
**PO Date** 01-Jul-2008 FY 2009  
**Type Code** R Regular  
Original PO 19-Dec-2007  
**Ship To Attn**  
**Ship Date**

**Deliver To** REC PARKS AND RECREATION DE  
**Invoice To** REC PARKS AND RECREATION DE

0 Email Vendor

2 Details (1) 3 Items 4 GL Details 5 Status History 6 Vouchers (b)

Line Item	Qty	UOM	Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1	6.0000	EA	month maintenance service on radio co vehicle 12/1/07-6/30/08		79.0000			474.00	474.00	

Split 1000-32000-53225-0320-00000-0000-000 PARK: TOOLS AND SUPPLIES

This is a 6 month maintenance contract where \$79 is paid every month.

### 2.1.2 When Paying Against the PO, Enter a Quantity on the Voucher

Vouchers - Posted [TRAINING] Closed CONVERT

**Batch #** 18575  
**Voucher#** 1992406

**Vendor** 002826 01  
UTILITY COMMUNICATIONS  
920 SHERMAN AVENUE  
HAMDEN  
CT 06514-0000

**Invoice#** CONVERT  
**Inv Date** 27-Dec-2007  
Customer#  
**Dept Code** UNCL  
**Vou Date** 27-T  
**Due Date** 27-T

**Check Type** Printed **Bank** CITZ  
**Check #** See Check History

2 Details 3 Items 4 GL Details 5 Status History 6 Check History 7 Exchanges

Line Item	Qty	Uom	Description	1099 FA	Price	Freight	Other	Ext Amount
1	1.0000	EA	INV.45209		79.0000			79.00

Split 1000-32000-53225-0320-00000-0000-000 PARK: TOOLS AND SUPPLIES PO# 800931/1

Amount to Pay Vendor 79.00

Each month a voucher is entered for 1 month at \$79. On the 6th payment, the PO will be closed.

### 2.2 Professional Services Purchase Order Without a Contract:

- Set the PO Type to "R" for Regular
- May choose to enter quantities on the PO or not; depends on individual needs

PO Query - Posted [TRAINING] Open DOYLED

**PO #** 301751

**Vendor Code** 000310 01  
BLUM, SHAPIRO & COMPANY, P.C. Via Email  
29 SOUTH MAIN STREET  
P.O. BOX 272000  
WEST HARTFORD  
CT 06127-2000

**Dept Code** FINANCE Finance: Financ  
**PO Date** 01-Jul-2008 FY 2009  
**Type Code** R Regular  
Original PO 24-Jun-2008  
**Ship To Attn**  
**Ship Date**

**Deliver To** FINANC FINANCE DEPARTMENT  
**Invoice To** FINANC FINANCE DEPARTMENT

0 Email Vendor

2 Details (1) 3 Items 4 GL Details 5 Status History 6 Vouchers 7 Changes 8 Attachments

Line Item	Qty	UCM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1		EA	AUDIT FEES FY 07/08		18500.0000			18500.00	18500.00	18500.00

Split 1000-36000-60260-0000-00000-0000-000 PY COMM: MISC ACCOUNTS: COMMITMENTS

Expected Amt 18500.00

Special Instructions: PER CONTRACT HOURLY RATE

Since this is a quantity-based system, leaving the Qty blank is often preferred, which will offer the greatest flexibility when paying multiple invoices against a purchase order.



### 3 Blanket PO Type

Blanket purchase orders are typically used to encumber funds for routine supplies that are ordered frequently from one or more vendors. For these cases, do not enter quantities on the PO. A vendor number is **not required but may be used** on a blanket purchase order.



A PO used for routine supplies may be purchased from different vendors – so the vendor number is **not required**. Sites may turn off access to Blanket POs – see section 8.1.

PO Query - Posted [TRAINING] Open MORELLS

**Goto...** PO # 200650

**Actions** Vendor Code 000058 01  
SUBURBAN STATIONERS, I Via Email   
16 STACK STREET  
MIDDLETOWN  
CT 06457-0000

Dept Code VOTERS Registrar Of Vo  
PO Date 12-Sep-2008 FY 2009  
Type Code B Blanket

Deliver To ROV REGISTRAR OF VOTERS  
Invoice To ROV REGISTRAR OF VOTERS  
View Delivery Notes  
No text available

0 Email Vendor

2 Details (1) 3 Items 4 GL Details 5 Status History 6 Vouchers (2) 7 Changes 8 Attachments Expected Amt 500.00

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1		EA	Blanket PO for the Supplies for the Re		500,0000			500,00	500,00	327,82
Split		1000-09000-52110-0000-00000-0000-000		VOTERS: GENERAL ADMINISTRATIVE						

When paying against the PO, either pay for the number of items received by entering a quantity and price, or by lump sum:

Batch # 20815 Voucher In-Progress [TRAINING] Connect Errors ZIMMIMT

**Goto...** Voucher# 2016160

**Actions** Vendor 000058 01  
SUBURBAN STATIONERS, I  
16 STACK STREET  
MIDDLETOWN  
CT 06457-0000

Invoice# 3450853-0  
Inv Date 30-Jan-2009  
Customer#  
Dept Code VOTERS  
Vou Date 20-Jan-2009 FY 2009  
Due Date 31-Jan-2009 Terms DUR

Check Type Printed Bank CITZ  
Check #  
Separate Check   
Type P Payment Voucher

2 Details 3 Items 4 GL Details 5 Status History Amount to Pay Vendor 327.82

Line Item	Qty	Uom	Item Description	1099	FA	Price	Freight	Other	Ext Amount	
1	1,0000	EA	Blanket PO for the Supplies for the Registrar of Voters O			327,8200			327,82	
Split		1000-09000-52110-0000-00000-0000-000		VOTERS: GENERAL ADMINISTRATIVE		PO# 200650/1				

### 4 Emergency PO Type

An emergency PO is used when a vendor requires a PO number to perform services or provide goods immediately without going through the usual approvals process.

This should only be used in emergencies, as it allows the originator of the PO to bypass the budget / approval safeguards in the normal process.

### 5 Zero Tolerance PO Type

A "zero tolerance" type means that when paying against the purchase order, the unit price of the items cannot change nor can the quantity ordered be exceeded.



### 5.1 Contract PO

If entering a purchase order from a contract, the purchase order type must be set to [Z] for "Zero Tolerance".

If a **Quantity** is *entered* on the **PO**, when paying against it:  
**Must** pay by quantity; cannot pay using flat dollar amounts.

If a **Quantity** is *not entered* on the **PO** when paying against it:  
**May** pay in full or make partial payments using a lump sum but cannot exceed the amount of the line.

#### 5.1.1 Does the Monthly/Periodic Payment Change?

**No.** If the contract is for goods/services and there is a flat monthly charge that does not change, then enter the **PO** with a quantity like this:

Purchase Order Entry [TRAINING] Entry Began

**Goto...** PO # 12726

**Actions**

**Vendor Code** 006244 01  
SPRINT \*NEXTEL-CS  
100 CORPORATE PLACE  
ROCKY HILL  
CT 06067-0000

Via Email

**Dept Code** PRPARKS Parks & Rec: Pa  
**PO Date** 24-Feb-2009 **FY** 2009  
**Type Code** Z Zero Tolerance

**Deliver To** REC PARKS AND RECREATION DEP  
**Invoice To** REC PARKS AND RECREATION DEP

**1 Delivery Notes (to Print on PO)**  
No text available

**Ship To Attn** \_\_\_\_\_  
**Ship Date** \_\_\_\_\_

**Expected Amt** 1753,05

2 Entry (1) 3 Items 4 GL Details 5 Status History Q Attachments

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
1	39,0000	EA	NEXTEL PHONES FOR CAMP GOODTIME,PLAYTIME,TEENQUEST IME,FRIENDSHIP,PEEWEE COMMBASED,RAY,MICHELLE,BARBARA,JANICE JULY/AUG 2001 & 2002		44,9500			1753,05	1753,05

**Split** **U By Account** 1000-36000-60321-0000-00000-0000-0000 PY COMM: RECREATION: COMMITMENTS

**Yes.** If the contract is for goods/services and there is a monthly charge but the amount of the charge may change from month to month then do not use quantity on the **PO**:

Purchase Order Entry [TRAINING] Needs Purchasing / PCa

**Goto...** PO # 12650

**Actions**

**Vendor Code** 006244 02  
SPRINT \*NEXTEL-CS  
P.O. BOX 4181  
CAROL STREAM  
IL 60197-4181

Via Email

**Dept Code** HEALTH Health & Human  
**PO Date** 02-Feb-2009 **FY** 2009  
**Type Code** Z Zero Tolerance

**Deliver To** HEALTH HEALTH DEPARTMENT  
**Invoice To** HEALTH HEALTH DEPARTMENT

**1 Delivery Notes (to Print on PO)**  
Data Plan service for 10  
Blackberry phones:  
250-6844; 982-5682; 209-1375;

**Ship To Attn** \_\_\_\_\_  
**Ship Date** \_\_\_\_\_

**Expected Amt** 12000,00

2 Entry (5) 3 Items 4 GL Details 5 Status History Q Attachments

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
1			SPLIT BILL UNLIMITED BLACKBERRY AND ONE ADD A PHONE SERVICES APPROXIMATELY \$600,00 PER MONTH FOR ALL 10 PHONES		7200,0000			7200,00	7200,00

**Split** **U By Account** 3220-31000-54120-0000-03485-2009-000 BIOTERROR/EMERG. PRE: CELL PHONE

### 5.2 PROFESSIONAL SERVICES

For a contract for professional services where there is a **fixed hourly rate** and **fixed # of hours** purchased:

- Set the **PO Type** to "Z" for zero tolerance
- Enter the **# of hours** in the **Qty** field
- Enter the fixed hourly **rate** in the **PRICE** field



# PURCHASE ORDERS

## PO-105 Encumbrances, How Payments are Processed, & PO Types

**PO Query - In Progress [TRAINING]** Entry Began  
MUPDEV4

**PO #** 12728

**Vendor Code** 000310 01  
BLUM, SHAPIRO & COMPANY, P.C., Via Email  
29 SOUTH MAIN STREET  
P.O. BOX 272000  
WEST HARTFORD  
CT 06127-2000

**Dept Code** FINANCE Finance: Financ  
**PO Date** 24-Feb-2009 FY 2009

**Type Code** Z Zero Tolerance

**Ship To Attn**  
**Ship Date**

Deliver To FINANC FINANCE DEPARTMENT  
Invoice To FINANC FINANCE DEPARTMENT  
1 View Delivery Notes  
No text available

**Expected Amt** 2300,00

2 Details (1) 3 Items 4 GL Details 5 Status History 8 Attachments

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1	10,0000	EA	Audit Services for 10 hours at #230 p		230,0000				2300,00	2300,00

Split 1000-36000-60260-0000-00000-0000-0000 PY COMM; MISC ACCOUNTS; COMMITMENTS

For a contract for professional services where there is a **fixed total contract amount**:

- Set the **PO Type** to **"Z"** for **Zero Tolerance**
- **Do not enter quantities on the PO** → this allows payment by lump sum amounts

**Purchase Order Entry** Entry Began

**PO #** 198892

**Vendor** 024935 01  
NEW HORIZON COMMUNICATIONS Via Email  
PO BOX 981073  
BOSTON  
MA 02298-1073

**Dept Code** DISTRICT DISTRICT WIDE  
**PO Date** 09-Mar-2023 FY 2023

**Type Code** Z Zero Tolerance

**Ship To Attn**  
**Ship Date**  Prevailing Wage

Deliver To 14 ADMIN BUSINESS OFFICE  
Invoice To 14 ADMIN BUSINESS OFFICE  
1 Delivery Notes J Internal Notes  
No text available No text available

**Expected Amt** 8480,00

2 Entry (6) 3 Items 4 GL Details 5 Status History 9 Attachments

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
1			FY23 TELEPHONE CHARGES - DIPIETRO ELEMENTARY SCHOOL		1340,0000			1340,00	1340,00
Split			U By Account 1000-300-4130-531-03-00-52030 TELEPHONE-SOUTH						
2			FY23 TELEPHONE CHARGES - STALL BROOK ELEMENTARY SCH		552,0000			552,00	552,00
Split			1000-300-4130-531-05-00-52030 TELEPHONE-STALL						

## 5.3 Construction PO

If entering a construction purchase order, set the purchase order type to **"Z"** for **"Zero Tolerance"**. A **"zero tolerance"** type means that when making a payment against the purchase order:

- the unit price of the items cannot change, and
- the maximum number of items paid for cannot exceed the number ordered

### 5.3.1 Paying in Lump Sums?

If yes, then do not enter quantities on the **PO**. This allows payments in full or partial payments by lump sums; the payments cannot exceed the amount of the line.



PO Query - Posted [TRAINING]

PO # 301776

Vendor Code 000409 01  
 DERITA CONSTRUCTION CO., INC. Via Email  
 P.O. BOX 1804  
 59 DRIPPS RD.  
 MIDDLETOWN  
 CT 06457-0000

Dept Code PWADMIN Public Works: P  
 PO Date 01-Jul-2008 FY 2009  
 Type Code Z Zero Tolerance  
 Original PO 24-Jun-2008  
 Ship To Attn  
 Ship Date

Deliver To PW PUBLIC WORKS DEPARTMENT  
 Invoice To PW PUBLIC WORKS DEPARTMENT

1 View Delivery Notes  
 No text available

2 Details (30) 3 Items 4 GL Details 5 Status History 6 Vouchers (3) 7 Changes (2) 8 Attachments Expected Amt 154461.51

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1		EA	CLEARING AND GRUBBING RUSSELL STREET		3000.0000			3000.00	3000.00	

Split 4710-22000-91400-0000-95630-0000-0000 RUSSELL ST

Lump sum payments are permitted but the sum of all those payments cannot exceed \$3000 for this line.

### 5.3.2 Pay by Quantity?

If yes, this allows tracking the # of Items ordered versus the # of items paid for on the voucher. In this case, enter quantities on the PO. When paying, payment must be made using a quantity (cannot pay lump sums).

PO Query - Posted [TRAINING]

PO # 301396

Vendor Code 000797 01  
 TILCON CONNECTICUT INC Via Email  
 P.O. BOX 1357  
 NEW BRITAIN  
 CT 06050-1357

Dept Code PWADMIN Public Works: P  
 PO Date 01-Jul-2008 FY 2009  
 Type Code Z Zero Tolerance  
 Original PO 08-May-2008  
 Ship To Attn  
 Ship Date

Deliver To PW PUBLIC WORKS DEPARTMENT  
 Invoice To PW PUBLIC WORKS DEPARTMENT

1 View Delivery Notes  
 Special Instructions: TRYON STREET

2 Details (1) 3 Items 4 GL Details 5 Status History 6 Vouchers (1) 7 Changes 8 Attachments Expected Amt 232.20

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1	20.0000	EA	MEDIUM PROCESS AGGREGATE (AKA 3/4" PR		11.6100			232.20	232.20	

Split 4750-22000-91400-0000-95630-0000-0000 TRYON/STANDPIPE ROAD: CONSTRUCTION

If the vendor submits an invoice for \$58.05 against this PO, but does not specify the quantity, calculate how much Qty this represents. In other words,

**\$58.05 ÷ \$11.61 = 5**

Pay for a Qty of 5 on the voucher.

## 6 "Special" Situations – Can Apply to Any PO Type

Some amounts such as Freight, Discounts, and Sales Tax, will not be entered in the Price field and can be used on all of the PO types.

### 6.1 Freight

If the exact amount of **Freight** for the item being purchased is known, enter it in the **Freight** field on the line item:



# PURCHASE ORDERS

## PO-105 Encumbrances, How Payments are Processed, & PO Types

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
	1,0000		CHEVY TAHOE		60000,0000	450,00	-500,00	51950,00	51950,00
			WIN# 145STGHY8954QA						
			LESS #8500 FOR 3 TRADE-INS (SEE ATTACHMENT)						

If estimating the shipping charges and keeping them separate from the item being purchased, enter freight on a separate line:

Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
1,0000		ESTIMATED SHIPPING CHARGES		450,0000			450,00	450,00

Leave the **Qty = 0** to allow the partial payment of shipping charges as the goods are delivered.  
**Note:** If a **Qty = 1** is entered on the **Purchase Order**, and a voucher pays for a **Qty = 1** then the system will close that Line out on the **Purchase Order**.

## 6.2 Discounts

Enter the “discounted” price in the **Price** field or enter the **List Price** and put the **Discount** in the “**Other**” field like this:

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
1	2,0000		WINDOWS VISTA UPGRADE KIT		250,0000		-50,00	450,00	450,00
			#250 EACH LESS #50 DISCOUNT FOR ORDERING BY 3/1/09						

To pay this **PO**, the payment would look like this:

Line Item	Qty	Uom	Item Description	1099 FA	Price	Freight	Other	Ext Amount
1	2,0000		WINDOWS VISTA UPGRADE KIT		250,0000		-50,00	450,00
			1000-03500-55220-0000-00000-0000-0000					

## 6.3 Trade-In Allowances

Trade-Ins can be entered using a negative amount in the “**Other**” field on the same line as the item being purchased. See below:

Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount
1,0000		CHEVY TAHOE		60000,0000		-8500,00	51500,00	51500,00
		WIN# 145STGHY8954QA						
		LESS #8500 FOR 3 TRADE-INS (SEE ATTACHMENT)						

When a voucher is created that pays against the **PO**, it will show the Price and Other amounts as above.





### 6.4 Retainage

Retainage is used when part of the payment on a purchase order is **“Withheld”** from being paid until an agreed-upon milestone has been reached.

Retainage can be entered on a purchase order as a percentage of payments, or as a dollar figure. In this example, 2% of all payments on this purchase order will be **“retained”**.

The screenshot shows a 'Purchase Order Items' form for PO # 198893. The vendor is ENE SYSTEMS, INC. The item description is '3 month contract extension for HVAC PM and repairs' with a quantity of 3,0000 and a price of 18608,0000. The total expected amount is 55824,00. In the 'Retainage' section, the 'Retainage %' is set to 2,00 and the 'Retainage Amt' is 1116,48. The 'Entered Amt' is also 55824,00.

Line Item	Item Description	Qty	UOM	FA	Price	Freight	Other	Ext Amount
1	3 month contract extension for HVAC PM and repairs	3,0000			18608,0000			55824,00
					Retainage %		Retainage Amt	
					2,00		1116,48	

When Vouchers are processed against this purchase order, the calculated percentage amount will be **“retained”** and not paid. This **retained** amount will accumulate until the milestone has been reached; at that time a special pay **retainage** voucher will be processed against this **PO** to pay the Vendor the **“retained”** amount.

## 7 How Payments are Processed

AUC provides a **“quantity-driven”** purchasing system. This means that:

- If a **quantity of “1”** is specified on the purchase order, and a **quantity of “1” is paid on a voucher**, then the purchase order **will close automatically**. A purchase order cannot be reopened once it has been closed.
- If a **quantity of “5”** is specified on the purchase order and a **quantity of “2” is paid on a voucher** then the purchase order **will stay open until the remaining items are paid** – or – the **PO** is closed out by:
  - Liquidating the **PO**, or
  - Using the **“F for Final Pay”** flag on the voucher to close the **PO** with the last payment.
- Purchase orders may have **Qty** equal to **“0”** or **Qty** equal to or greater than **“1”**
- Vouchers must have **Qty** equal to or greater than **“1”**. A voucher cannot have a quantity of 0, because at least **“one”** of something was received and is being paid for.



## 7.1 Examples of Voucher Price Different from the PO Price

Here are some examples of what happens when:

### 7.1.1 Voucher Price is *Lower* than on the PO

PO Price \$10 for Qty 5	10 * 5 = \$50
Voucher Price \$8 for Qty	8 * 5 = \$40

When the voucher is posted it hits the *expense* Account for:

Voucher Price * Voucher Qty	8 * 5 = \$40
-----------------------------	--------------

and relieves the encumbrance of

PO Price * Voucher Qty	10 * 5 = \$50
------------------------	---------------

This increases the available (unencumbered) balance in this account by **\$10** because it relieved the encumbrance at the higher price.

### 7.1.2 Voucher Price *Higher* than on the PO

PO Price \$10 for Qty 5	10 * 5 = \$50
Voucher Price \$12 for Qty	12 * 5 = \$60

When the Voucher is posted it hits the *expense* account for:

Voucher Price * Voucher Qty	12 * 5 = \$60
-----------------------------	---------------

And relieves the encumbrance of

PO Price * Voucher Qty	10 * 5 = \$50
------------------------	---------------

Since the Voucher price is *higher* the overall balance on this account is **reduced by \$10** because it took the extra \$10 as an expense that was not encumbered.

## 7.2 Why Not Just Relieve the Amount Paid?

This is a **quantity-based** system. The premise is that “a certain number of goods are purchased” and “payment is made for the number of goods received”. The system needs to know how many of the items ordered need to be paid for and how many are still due to be received.

Consider a **PO** for \$2,500; one payment is made of \$561.80 – the system may not process the payment as anticipated. The system is behaving the way it was designed.

The screenshot shows a 'PO Query - Posted' window. At the top, it displays 'PO # 200748'. Below this, there are fields for 'Vendor Code' (005397 01), 'Dept Code' (WATER), 'PO Date' (07-Oct-2008), and 'Type Code' (R). A blue box highlights the 'Qty' field in the table below, which is set to '1'. A text box with an arrow pointing to the '1' in the 'Qty' field contains the text: 'This PO had a Qty of "1" even though it was for \$2,500. The Department anticipated making multiple payments against it.'

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	GL Total	Ext Amount	Balance
1	1.0000	EA	LABOR RATES FOR PLANNED MAINTENANCE R		2500.0000			2500.00	2500.00	

Figure 1 Purchase Order issued with a Qty of 1



2 Details		3 Items		4 GL Details		5 Status History		6 Check History		7 Changes		Amount to Pay Vendor	
												561.80	
Line Item	Qty	Uom	Item Description	1099 FA	Price	Freight	Other	Ext Amount					
1	1.0000	FA	PLANNED MAINTENANCE FOR GENERATOR AT CBB WTP		561.8000			561.80					

Figure 2 Payment

The payment was entered for \$561.80 but because the department ordered "1" item and paid for "1" item, the PO was automatically closed out.

PO01 is the original PO Encumbrance; PO02 shows the encumbrance relief. AP02 shows the debit to an expense account.

07-Oct-2008	900748	1	1	P001	11218846	11218846	2500.00	EN		
Trx Date	Reference#	Line	GL#	TrxCode	User Bat#	Posting#	Amount	Type		
27-Oct-2008	2011177	1	1	AP02	19949	11231670	561.80	DR		
27-Oct-2008	2011177	1	1	PO02	19949	11231670	-2500.00	EN		

Figure 3 Impact on the Line Item

In this case, the encumbrance was fully relieved but the line item was only ever "charged" \$561.80. Relieving the entire encumbrance and paying the \$561.80 results in \$1,938.20 being restored to the overall balance of the expense account.

### 7.3 Can a PO Be "Overpaid"?

Sometimes! There can be a tolerance threshold for overpayments on Regular, Blanket, and Emergency purchase orders.

#### 7.3.1 Zero Tolerance POs Cannot be Overpaid

If the PO is a "zero tolerance PO" then under no circumstances may the Qty, PRICE, or LINE AMOUNT exceed the values specified on the PO.

Item Description	Qty	UOM	FA	Price	Freight	Other	Ext Amount
REMOVE EXISTING CONCRETE	390.0000			1.1500			448.50
BITUMINOUS OR SLATE WALKS AND APRONS							
UNIT PRICE PER SQUARE FOOT							

Figure 4 Zero Tolerance PO

The total of the payments on this PO cannot exceed:

Qty of 390  
 Price of \$1.15  
 Total for Line of \$448.50



Additional quantities or Price changes require a change order for a zero tolerance PO.



### 7.3.2 POs That are Overpaid

If the PO is not a zero-tolerance PO, and the threshold is set at 10%, then the system will allow overpayment on lines on a PO up to but not exceeding the 10% tolerance per line.

For example, a PO is cut for \$500.00, with a 10% tolerance threshold specified on Module Control Sequence # 2201.

Line Item	Qty	UOM	Item Description	FA	Price	Freight	Other	Ext Amount	Retained	Balance
1			FY23 TELEPHONE CHARGES - DIPIETRO ELEM		1340.0000			1340.00		1340.00
2			FY23 TELEPHONE CHARGES - STALL BROOK E		552.0000			552.00		552.00
5			FY23 TELEPHONE CHARGES - BMS		1104.0000			1104.00		1104.00

Line 1 for \$1,340.00 will allow a \$134.00 overage, which comes to a maximum of \$1,444.00 for the line within the 10% tolerance.

Line 2 for \$552.00 will allow a \$55.20 overage, which comes to a maximum of \$607.20 for the line within tolerance.

Line 1 will relieve the \$1340.00 encumbrance, and reduce the overall balance of the expense account by the additional \$134.00 overage.

Figure 5 Regular PO that allows overpayment of up to 10% per line

Line Item	Qty	Uom	Item Description	Price	Freight	Other	\$ To Retain	Ext Amount
1			FY23 TELEPHONE CHARGES - DIPIETRO ELEMENTARY SCH	1444.0000				1444.00
2			FY23 TELEPHONE CHARGES - STALL BROOK ELEMENTA	614.0000				614.00
5			FY23 TELEPHONE CHARGES - BMS	1104.0000				1104.00

Line 2 cannot exceed \$607.20, and will have to be adjusted per the instructions on the error report when the batch is checked.

The line for \$1104.00 voucher payment is equal to the PO price.

- #1 Overpaid within 10% tolerance
- #2 Overpaid, but for more than the 10% tolerance
- #3 Paid the same amount as on the PO

Figure 6 Overpay a Line on a PO within 10% tolerance, and a second line exceeds the tolerance

```

2085-FMREP:APVOUMULERR          Printed 10-Mar-2023 at 11:21:50          Page 1
                                Town of Admins
                                Voucher Error Check by Batch
=====
UserBatch      Expected Amount  Entered Amount  Batch Errors:
17912          3,162.00        3,162.00
=====
Voucher#   Line  GLLine  Errors
505901     1       1       Warning: Payment $1,444.00 exceeds PO Line 1 Balance $1,340.00 [No WIP]
           2       2       Warning: Payment $614.00 exceeds PO Line 2 Balance $552.00 [No WIP]
           2       2       *** Payment $614.00 exceeds PO Balance $552.00 PO Adjustment required
  
```

Figure 7 The error check shows that line 2 exceeds the 10% tolerance and will not be paid

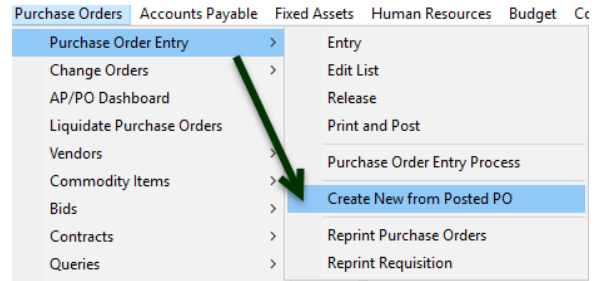
The PO must be adjusted to allow the payment of \$614.00. Each line is considered independently, and even though the entire PO is still within the encumbered amount plus the tolerance, this line is not within the 10% tolerance.



### 7.4 Can a PO Be Re-Opened that Was Closed by Mistake?

No. Once a PO is closed; it is done. Instead, create a new PO from a posted one. This is quicker than creating the new PO from scratch. Find the option on the menu here:

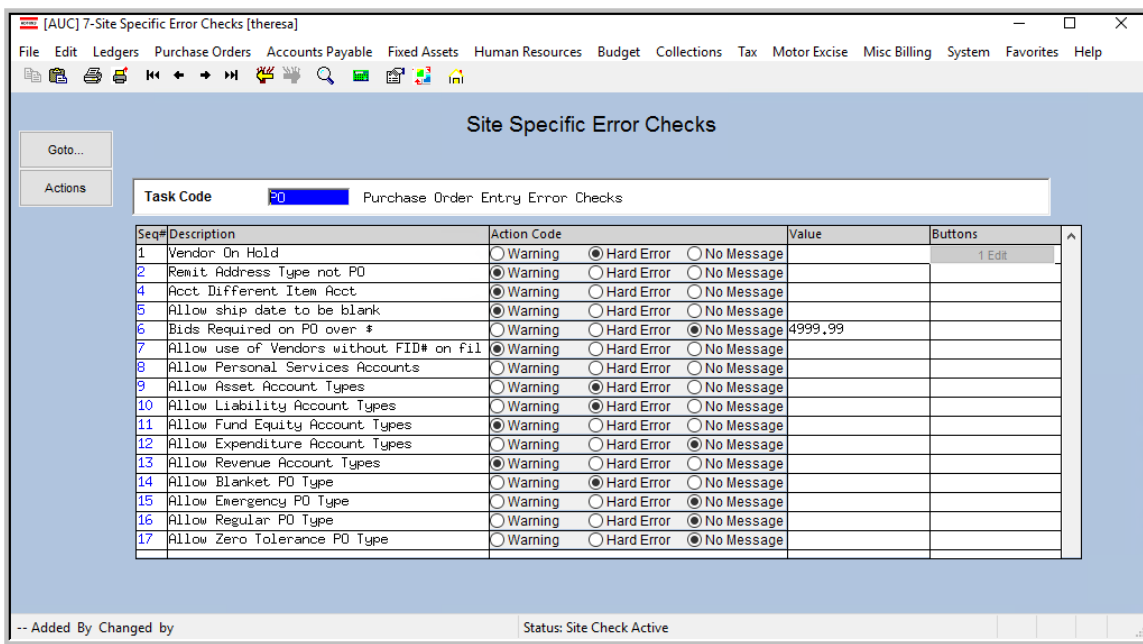
See **PO-140 Create New From A Posted PO** for details on how to use this feature.



## 8 Controlling PO Types Used via Site Specific Error Checks

ADMINS offers a series of site-specific error checks to allow managers control over the types of Purchase Orders (POs) users may create. Select **System > Site Specific Error Checks > PO** to access the feature. The default values are set to **No Message**. Leave the value as is to allow *all types* of purchase orders to be used.

- Change the value to **Warning** if users should exercise caution when creating a purchase order of a given type.
- Change the value to **Hard Error** to prevent users from creating purchase orders of a given type. These controls are in effect for all users.
- Specify the purchase order types allowed for use via the **System > Site Specific Error Checks > PO Table**. By default, all types (sequence #14, 15, 16, &- 17) are set to “**No Message**”.



**Figure 8 Sequence #s 14 – 17 Control the Type of Purchase Order Available to Users**

Examples of the use of the warning and hard error selections for Sequence # 14, Blanket PO types are shown in sections **8.1** and **8.2**. The other purchase order types (Sequence #s 15, 16, & 17) work the same way.



### 8.1 Sequence Set to ☉ Hard Error

```

3690-FMREP:POPORERR.REP      Printed 12-Sep-2019 at 11:50:01 by THERESA      Page 1
                               Town of Admins
                               Error Check PO

                               Blanket PO
=====
PO#      Vendor                PO Errors:
191179   STAPLES                    Warning: P3504-Ship Date Blank.
                               *** P3514-PO Type cannot be a Blanket PO
Line    GL Line  Error
-----

```

With the value set to ☉ **Hard Error**, the user must change the Purchase Order type to an available type before processing the purchase order. Anytime an error report shows three asterisks \*\*\* denotes that a **“Hard” error** exists which must be corrected before proceeding.

### 8.2 Sequence Set to ☉ Warning

```

3690-FMREP:POPORERR.REP      Printed 12-Sep-2019 at 11:47:35 by THERESA      Page 1
                               Town of Admins
                               Error Check PO

                               Blanket PO
=====
PO#      Vendor                PO Errors:
191178   ADMINS                    Warning: P3504-Ship Date Blank.
                               Warning: P3514-PO Type cannot be a Blanket PO
Line    GL Line  Error
-----
1
1      1      Warning: Account Over Budget
-----

```

With the value set to ☉ **Warning**, the error check will display a warning message but the user may continue with processing the purchase order.

## 9 Tolerance Percentage on Regular POs

The tolerance % for vouchers that pay against purchase orders is set on the **Accounts Payable Module Control** table sequence #2201. To access it, from the menu, select:

**Accounts Payable ▶ Module Maintenance ▶ Module Control ▶ #2201**

Accounts Payable Module Control			
Seq#	Description	Answer	Buttons
2201	Tolerance % for Vouchers with Purchase Orders	5.0	1 Edit
2202	Default PRICE from Purchase Order on Voucher when paying from	N	

To set the tolerance % for vouchers with Purchase Orders, click on the **[1 Edit]** button to the right of the screen and set the value on the ensuing prompt by entering a new value; using up to two decimal places (at least one decimal place is required.) Click on **[OK]** to confirm the value. These module controls are in effect for all users.

Finance can make the tolerance 0.00, which will prevent any purchase orders being overpaid.



[AUC] 2950-Accounts Payable Module Control [theresa] X

Tolerance % for Vouchers with Purchase Orders

Enter Value (Range: From 0.00 To 100.00 )

Lookup OK Cancel Clear All

### 9.1 Module Control Sequence #2202

Accounts Payable Module Control			
Seq#	Description	Answer	Buttons
2201	Tolerance % for Vouchers with Purchase Orders	5.0	
2202	Default PRICE from Purchase Order on Voucher when paying from	N	1 Edit

Default PRICE from Purchase Order on Voucher when paying from a Regular PO

The other AP module control that impacts vouchers paid on POs is # 2202, which is a **Yes/No** switch to default the price from the PO when paying from a regular PO. To change the setting, select [**1 Edit**] and set the value to “Y” or “N” as needed.