

**SHARE HELPFUL TIPS – FINANCIALS**  
**RELEASING BUDGET BALANCE & CANCELLING PO'S**  
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## **RELEASING BUDGET BALANCES**

*If one of the following events occur, it is necessary to finalize the requisition through the purchase order to release the associated budget:*

- If a decrease to the original sourced amount is required;
- If a change order is needed on a purchase order;
- If changes to an account transfers an expenditure between appropriation units (200, 300, etc.); or
- If you are going to close a PO that still has a balance through the Reconciliation Workbench process.

*See “USING THE PURCHASE ORDER TO FINALIZE A RELATED REQUISITION” (page 4).*

*If budget is not released, identify the appropriate scenario and use the provided trouble shooting guide:*

*See “PO Change Order Instructions” (pages 5-9) when:*

- Changes to a Purchase Order that was sourced from a requisition
- A requisition was sourced to a Purchase Order but Pre-encumbrance balance still exists.
- A requisition was sourced to a PO at a different dollar amount or chart field.

*See “Finalize Purchase Order Instructions” (pages 10-17) when:*

- Final invoice received and outstanding encumbrance balance needs to be finalized.
- Voucher was finalized and pre-encumbrance budget balance was not released.
- Purchase Order was finalized on Voucher but is still needed for payment.

*See “Close Purchase Order Instructions” (pages 13-24) when:*

- Purchase Order balance needs to be released and was not finalized on the voucher.
- Purchase Order was closed using Reconciliation Workbench and pre-encumbrance still exists.
- Purchase Order was closed using Reconciliation Workbench and encumbrance still exists.
- Purchase Order was cancelled but pre-encumbrance balance still exists.

*See “Pre-Encumbrance Reconciliation Instructions” (pages 25-30) when:*

- Pre-encumbrance balance in “budget” can not be identified.

### **CANCELLING A PURCHASE ORDER**

Before a purchase order can be cancelled, the following conditions must be met:

- The PO is not on hold
- The PO is not dispatched (If dispatched PO status will be pending cancel)
- No schedules on the PO have been matched
- There are no receipts recorded against the PO
- There are no open vouchers recorded against the PO

*See “Cancel a Purchase Order Instructions” (pages 31-36).*

**USING THE PURCHASE ORDER TO FINALIZE A RELATED REQUISITION**

Navigation: Purchasing, Purchase Orders, Add/Update POs

Press the “Finalize Document” icon (red box below).



Press the yellow “yes” button to finalize the eligible distributions.

This action will finalize all eligible distributions for this PO. Continue? (10200,335)



The Budget Status will change and the document will need to be budget checked. Once budget checked, the budget for the pre-encumbrance is released.

**PO CHANGE ORDER INSTRUCTIONS**

Scenario: Requisition #0000000011 for \$1,200 was sourced to a PO for \$1,200. Vouchers paid to this PO were \$322.86. The agency wants to decrease the Purchase Order by \$554.28 for a remaining balance of \$645.72.

Below is the original PO line.

Line	Item	Description	PO Qty	UOM	Category	Price	Amount	Status
1		MAINTANCE ON COPY MACHINE	12.0000	EA	000000	100.00000	1,200.00	Active

Change the unit price on the PO to \$53.81 and create a change order. [\[HOW\]](#)

The final step is to save the purchase order. The change will take affect after Budget Check runs.

Below is the PO line after the change is made.

Line	Item	Description	PO Qty	UOM	Category	Price	Amount	Status
1		MAINTANCE ON COPY MACHINE	12.0000	EA	000000	53.81000	645.72	Active

Below is the Budget before the change:

<b>Budget:</b>		89,200.00		USD
<b>Expense:</b>		21,645.33		USD
<b>Encumbrance:</b>		39,222.06		USD
<b>Pre-Encumbrance:</b>		0.00		USD
<b>Associate Revenue:</b>		0.00		USD
<b>Available Budget</b>				
<b>Without Tolerance:</b>	28,332.61		USD	<b>Percent:</b> (31
<b>With Tolerance:</b>	28,332.61		USD	<b>Percent:</b> (31

Here is the budget after the purchase order change.

<b>Budget:</b>		89,200.00	USD
<b>Expense:</b>		21,645.33	USD
<b>Encumbrance:</b>		38,667.78	USD
<b>Pre-Encumbrance:</b>		554.28	USD
<b>Associate Revenue:</b>		0.00	USD
<b>Available Budget</b>			
<b>Without Tolerance:</b>	28,332.61	USD	<b>Percent:</b> (31.71)
<b>With Tolerance:</b>	28,332.61	USD	<b>Percent:</b> (31.71)

**Why did the pre-encumbrance balance change?**

To see what happened, drill to the activity log on the pre-encumbrance line 

The drill down shows the line created when the requisition was budget checked.

	0000161542	08/21/2006	1 N	2007	2	1200.00 USD	1200.00 USD
---	------------	------------	-----	------	---	-------------	-------------

Another line shows that the requisition was sourced to the Purchase Order.

	0000163108	08/21/2006	1 N	2007	2	-1200.00 USD	-1200.00 USD
--	------------	------------	-----	------	---	--------------	--------------

The lines below show the change order after the purchase order was saved and budget checked.

	0000163108	08/21/2006	1 Y	2007	2	-645.72 USD	-645.72 USD	0.00
	0000161542	08/21/2006	1 N	2007	2	1200.00 USD	1200.00 USD	0.00

The change order decreased the original -1200.00 pre-encumbrance that was sourced to the Purchase Order to -645.72, leaving a balance of \$554.28 in pre-encumbrance.

These lines together explain why there is a balance in the pre-encumbrance.

## How is the pre-encumbrance released back to the budget?

A step was missed when creating the change order.

After the changes were made to the unit price, the navigation followed should have been:

schedule 

distribution/chartfield 

statuses tab 

Distribution									
Chartfields		Details/Tax		Asset Information		Req Detail		Statuses	
Dist	Status	Percent	Chartfield Status	Budget Status	Doc Tol	Status	Final	Commitment Control Close Flag	VAT Apport CF
1	Open	100.0000	Valid	Valid	Valid		<input type="checkbox"/>	<input type="checkbox"/>	X

The critical step is to check the “final check box”

ist	Status	Percent	Chartfield Status	Budget Status	Doc Tol	Status	Final	Commitment Control Close Flag	VAT Apport C
1	Open	100.0000	Valid	Valid	Valid		<input checked="" type="checkbox"/>	<input type="checkbox"/>	X

Final: Select this check box to indicate that the purchase order distribution is final and thus can be liquidated. The system checks the current purchase order distributions for its predecessor requisition distribution. The system will disassociate the requisition from the purchase order to avoid over liquidating the pre-encumbrance.

This does not mean the purchase order is being finalized from further vouchering. Checking the final box only finalizes the requisition from further distributions. Notice the Commitment Control Flag is not checked; therefore it will not fully liquidate the encumbrance.

Also the Final check box is only available on Purchase Orders that were sourced from a requisition.

The requisition is no longer available for re-sourcing. This means that the purchase order can be cancelled. If you wanted to cancel the purchase order, you would not get the option to re-source your requisition, but if you wanted to re-source just remove the check mark from final before you cancel the document.

If a purchase order has a requisition source to it, you can finalize the requisition on the Purchase Order Header. The effect is to also check the “finalize” box. The icon (red box below) is available on the header. This icon on the header will finalize all lines referencing a requisition. But, the final check box on the distribution line will only finalize the individual line.



Once the purchase order has been budget checked, the budget can be verified in commitment control.

Navigation: Commitment Control, Review Budget Activities, Budget Details

Ledger Amounts			
<b>Budget:</b>		89,200.00	USD
<b>Expense:</b>		21,645.33	USD
<b>Encumbrance:</b>		38,667.78	USD
<b>Pre-Encumbrance:</b>		0.00	USD
<b>Associate Revenue:</b>		0.00	USD
Available Budget			
<b>Without Tolerance:</b>	28,886.89	USD	<b>Percent:</b> (32.38%
<b>With Tolerance:</b>	28,886.89	USD	<b>Percent:</b> (32.38%

After the finalize box is checked, the pre-encumbrance is now zero and the available budget has increased by \$554.28.

Below is the activity log.

Requisition

0000161542	08/21/2006	1	N	2007	2	1200.00 USD	1200.00 USD
------------	------------	---	---	------	---	-------------	-------------

## Purchase Order

0000163108	08/21/2006	1 Y	2007	2	-1200.00 USD	-1200.00 USD
------------	------------	-----	------	---	--------------	--------------

The transaction id's stayed the same and the purchase order shows -1200.00, but the purchase order in reality is only for \$645.72, the full requisition amount was liquidated.

The purchase order is still available for payment

Select PO Lines													
Select	Line Number	Schedule Number	Item ID	Description	Quantity Vouchered	UOM	Unit Price	Merchandise Amt	Currency	PO Qty	UOM PO	Purchase Order Price	
<input type="checkbox"/>	1	1		MAINTANCE ON COPY MACHINE	6.0000	EA	53.81	322.86 USD		6.0000 EA		53.81	
<input checked="" type="checkbox"/> <a href="#">Select All</a> <input type="checkbox"/> <a href="#">Clear All</a>													
										PO Line Count:	1	PO Total:	\$322.86

The balance on the Purchase Order is \$322.86, previously vouchered is \$322.86 for a total of \$645.72.

You can also view the accounting entries of the purchase order and the requisition.

## PO Accounting Entries

Purchase Order	Vendor ID	Trans Type	Line	Sched	Dist	Entry Event	GL Unit	Fund	Dept	Account	Monetary Amount	Journal ID
<a href="#">0717700009</a>	0000050081	PO_POENC	1	1	1		36000	17700	P638	400	<a href="#">645.72</a>	0000163108
<a href="#">0717700009</a>	0000050081	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-53.81</a>	0000264918
<a href="#">0717700009</a>	0000050081	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-53.81</a>	0000319830
<a href="#">0717700009</a>	0000050081	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-53.81</a>	0000441077
<a href="#">0717700009</a>	0000050081	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-53.81</a>	0000742014
<a href="#">0717700009</a>	0000050081	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-53.81</a>	0000823220
<a href="#">0717700009</a>	0000050081	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-53.81</a>	0000995979

Notice the Purchase Order is for the new amount \$645.72.

## Requisition Accounting Entries

Accounting Entries													
Requisition ID	Trans Type	Line	Sched	Dist	Entry Event	GL Unit	Fund	Dept	Account	Monetary Amount	Journal ID	Tran Date	Reference Reversal ID
<a href="#">0000000011</a>	REQ_PREENC	1	1	1		36000	17700	P638	400	<a href="#">1200</a>	0000161542	08/21/2006	
<a href="#">0000000011</a>	REVERSAL	1	1	1		36000	17700	P638	400	<a href="#">-1200</a>	0000163108	08/21/2006	0717700009

Notice the Journal Id also references the Transaction Id and that the reversal amount is for the full amount.

Note if you can not print the Purchase Order with the changes made; check document tolerance under the distribution line status. If the doc tol = “not checked,” then an additional process must be run.

**Maintain Purchase Order**

**Distributions for Schedule 1**

<b>Unit:</b>	34100	<b>Vendor:</b>	BRANCH REA-001
<b>PO ID:</b>	0776900038	<b>Item:</b>	<a href="#">Rent for 2nd floor space for May 2007</a>
<b>Line:</b>	1	<b>Status:</b>	Active
<b>Sched:</b>	1	<b>Schedule Qty:</b>	1.0000
<b>*Distribute by:</b>	Amount	<b>Merchandise Amt:</b>	6807.00 USD
<b>SpeedChart:</b>	<input type="text"/> <a href="#">Multi-SpeedCharts</a>	<b>Doc. Base Amount:</b>	6807.00 USD

Distribution										
Chartfields				Details/Tax		Asset Information		Req Detail		Customize   Find   View All
Dist	Status	Percent	Chartfield Status	Budget Status	Doc Tol	Status	Final	Commitment Control	VAT Apport CF	
1	Open	100.0000	Valid	Valid	Valid		<input type="checkbox"/>	<input type="checkbox"/>	✖	

To run document tolerance:

Navigation: Purchasing, Purchase Order, Add/Update POs, Find an Existing Value

Using the drop down menu under **\*Go to:** at the bottom of the screen, select 18 – Doc Tolerance Checking. This will run a process to update the document tolerance. Once completed, you will again be able to print the purchase order.

Maintain Purchase Order

Purchase Order

Unit: 34100  
 PO ID: 0776900038

PO Status: Dispatched  
 Budget Status: Valid



Change Order: 1

Copy From:

Hold From Further Processing

Header

\*PO Date: 05/22/2007 Vendor Search  
 Vendor: BRANCH REA-001 Vendor Details  
 \*Vendor ID: 0000048050 BRANCH REALTY  
 \*Buyer: MACKIE.ROMERO MACKIE M. ROMERO  
 PO Reference: LEASE AGREEMENT

Doc Tol Status: Valid  
 Backorder Status: None Create BackOrder  
 Receipt Status: Not Recvd  
 \*Dispatch Method: Print Dispatch

[Header Details](#) [PO Activities](#) [Add ShipTo Comments](#)  
[PO Defaults](#) [Document Status](#)  
[Add Comments](#) [Requisitions](#)

Amount Summary  
 Merchandise: 6807.00  
 Freight/Tax/Misc.: 0.00 Calculate  
 Total Amount: 6807.00 USD

Add Items From

Select Lines To Display

[Purchasing Kit](#) [Catalog](#) [Item Search](#) Line:  To:  Retrieve

Lines

Line	Item	Description	PO Qty	*UOM	Category	Price	Amount	Status
1		Rent for 2nd floor space for May 2007	1.0000	EA	801315	6807.00000	6,807.00	Active

[View Printable Version](#)

Save Return to Search Previous in List Next in List Notify Refresh

- \*Go to:
- ... More ...
  - ... More ...
  - 01-Activity Log
  - 02-PO Dispatched History
  - 03-Category Search
  - 04-View Category Hierarchy
  - 05-All RTV
  - 06-Change History
  - 10-----
  - 11-Matching
  - 13-Header Misc. Charges
  - 14-Freight Calculation
  - 15-Budget Check
  - 16-Budget Status-Prorated
  - 17-Budget Status-NProrated
  - 18-Doc Tolerance Checking
  - 19-Doc Tolerance Exception

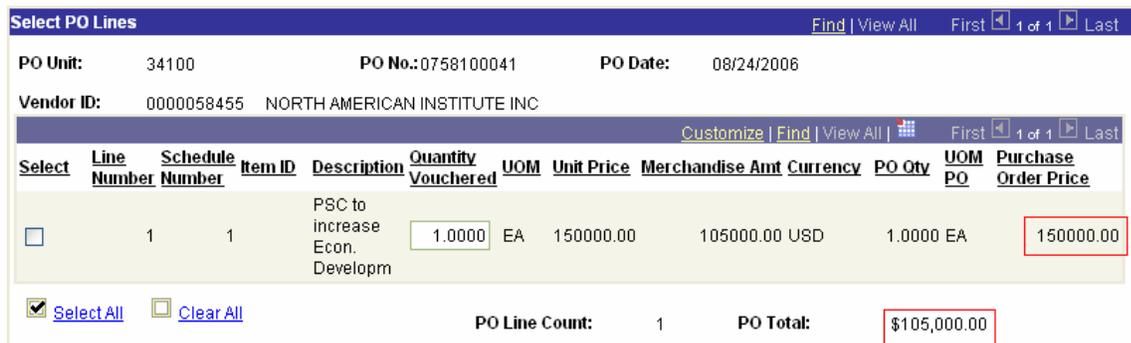
## **FINALIZE PURCHASE ORDER INSTRUCTIONS**

Finalize Function: The finalize function on the Invoice Information page is used to show that the current distribution line on the voucher represents a final liquidation of the predecessor **PO** transaction. This eliminates the need to run the PO and requisition reconciliation process to determine that you can close a PO or requisition.

Note: This does not mean the pre-encumbrance **balance** will also be liquidated, so if there is a balance still in pre-encumbrances due to a change order or not sourcing the full requisition amount, it is necessary to finalize  the requisition on the purchase order before proceeding with finalization through accounts payable module. (See Change Order Instructions)

Steps:

Create a Payment Voucher by utilizing “copy from source document”



Select	Line Number	Schedule Number	Item ID	Description	Quantity Vouchered	UOM	Unit Price	Merchandise Amt	Currency	PO Qty	UOM PO	Purchase Order Price
<input type="checkbox"/>	1	1		PSC to increase Econ. Developm	1.0000	EA	150000.00	105000.00	USD	1.0000	EA	150000.00

[Select All](#)    [Clear All](#)

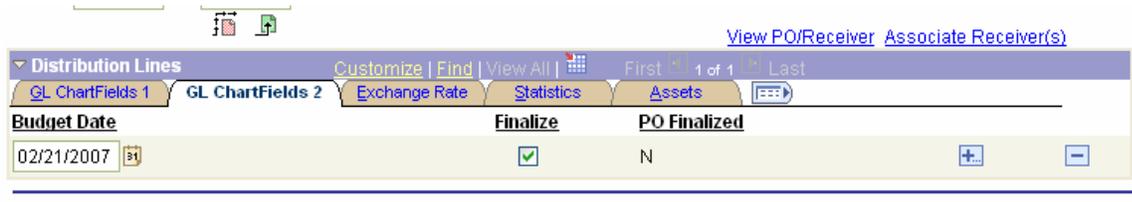
PO Line Count: 1   PO Total: \$105,000.00

With this example the Purchase Order was originally \$150,000.00, the balance is \$105,000.00 and \$15,000.00 will be paid to finalize the Purchase Order. This will release \$90,000 to the agency budget.

These icons are on the header and on the lines. If the header finalize option is used, all lines are closed that a referenced on the voucher. To close one line, the finalize option on the distribution line should be used.

Finalize  Undo Finalize 

Finalize at the Header: the following occurs on the distribution line: PO Finalized will change to a Y once budget check is valid.



Budget Date	Finalize	PO Finalized
02/21/2007	<input checked="" type="checkbox"/>	N

To undo the “finalize” - uncheck this box.

Here is what the budget looks like prior to the voucher being budget checked.

Ledger Amounts			
<b>Budget:</b>	150,000.00		USD
<b>Expense:</b>	45,000.00		USD
<b>Encumbrance:</b>	105,000.00		USD
<b>Pre-Encumbrance:</b>	0.00		USD
<b>Associate Revenue:</b>	0.00		USD
Available Budget			
<b>Without Tolerance:</b>	0.00		USD <b>Percent:</b>
<b>With Tolerance:</b>	0.00		USD <b>Percent:</b>

Here is what the budget looks like after the voucher was budget checked. The encumbrances decreased by \$105,000.00, the expenses increased by \$15,000 and the available budget increased by \$90,000.00.

Ledger Amounts	
Budget:	150,000.00 USC
Expense:	60,000.00 USC
Encumbrance:	0.00 USC
Pre-Encumbrance:	0.00 USC
Associate Revenue:	0.00 USC

Available Budget			
Without Tolerance:	90,000.00 USD	Percent:	
With Tolerance:	90,000.00 USD	Percent:	

With a big agency, available budget can be “taken” by someone else budget checking requisitions or purchase orders without a req.

Next, validate what happened when the voucher budget checked.

Navigation: Commitment Control, Budgets Overview

Complete the following criteria:

Inquiry: BUDGETS      Description: SSSD

[Amount Criteria](#)    Search    Clear    Refresh

**Budget Type**

\*Business Unit: 34100    Ledger Group/Set: Ledger Group    Ledger Group: APROP\_P  
 View Stat Code Budgets    Approp Parent Budget Group  
 Display Chart

**TimeSpan**

\*Type of Calendar: Detail Accounting Period

Customize | Find | View All | First 1 of 1 Last

Select	Ledger Group	Detail Calendar	From Year	From Period	To Year	To Period	Include Adjustment Period(s)	Include Closing Adjustments
<input checked="" type="checkbox"/>	APROP_P	DT	2007	8	2007	8	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**ChartField Criteria**

ChartField	ChartField From Value	ChartField To	ChartField Value Set	Update/Add
Account	%	%		Update/Add
Dept	A050401	%		Update/Add

**Budget Status**

- Open
- Closed
- Hold

Here are the results.

Budget Overview Results										Customize	Find	View All	First	1 of 1	Last
	Ledger Group	Fund	Department	Account	Bud Ref	Class	Fiscal Year	Period	Budget	Expense	Encumbrance	Pre-Encumbrance			
1	APROP_P	58100	A050401	300	90748	99999	2007	8	0.00	15,000.00	-105,000.00	0.00			

Departments with lots of activity will have a large expense amount, so it may not be as easy to find a single expense amount. The best option is to drill to the expense with the Budget Overview rather than through the Budget Details.

Click on the expense amount. [15,000.00](#)

Below are the results. There may be multiple rows of transactions. Go to the amount tab and try to identify the expense amount, and note the transaction id number.

Budget Activity Lines								Customize	Find	View All	First	1 of 1	Last
Budget Chartfields		Line Amount											
Tran ID	Tran Date	Tran Line	Ref Bdtg?	Year	Period	Foreign Amount	Monetary Amount						
0001098430	02/21/2007		1 N	2007	8	15000.00 USD	15000.00 USD						

Activity Log navigation: Commitment Control, Review Budget Activity, Activity Log

### Activity Log

Enter any information you have and click Search. Leave fields blank for a list of all values.

**Find an Existing Value**

Source Transaction Type: begins with

Commitment Control Tran ID: begins with

Commitment Control Tran Date: =

Process Instance: =

Process Status: =

[Basic Search](#)

Input only the Transaction Id number in the field and search.

Commitment Control Activity Log Lines								Customize	Find	View All
Budget Chartfields		Amounts								
Line	Ledger Group	Ledger	Unit	Document ID	Fund	Department	Account	Transaction Amount	Transaction Currency	
1	APROP_C	APRP_C_ENC	34100	02210001	58100	A050401	300	-105000.00	USD	
1	APROP_C	APRP_C_EXP	34100	02210001	58100	A050401	535200	15000.00	USD	
1	APROP_P	APRP_P_ENC	34100	02210001	58100	A050401	300	-105000.00	USD	
1	APROP_P	APRP_P_EXP	34100	02210001	58100	A050401	300	15000.00	USD	
1	DETAIL	DETAIL_EXP	34100	02210001	58100	A050401	535200	15000.00	USD	

Notice the \$105,000 did get reduced on the Approp\_P Commitment Control Ledger not \$15,000 but \$15,000 plus the balance of \$90,000.00

When finalizing a purchase order in the Accounts Payable module the following should occur.

**Commitment Control:**

The expenses should increase by the amount of the voucher

The encumbrance should decrease by the expenses amount plus the balance of the encumbrance. The available budget would only increase by the balance and only until someone else uses the available budget, which can happen very quickly.

**Accounts Payable:**

The purchase order will not be available to copy into a new voucher.

Also all other vouchers that were paid with this PO will have a Y for PO Finalized, even though the check box is not checked.

Finalize	PO Finalized
<input type="checkbox"/>	Y

**Purchasing:**

The purchase order may look the same as if nothing had happened, so what changes occurred to the purchase order.

First go to the schedule of the line  then to the distribution chart fields . There are several tabs. Go to the Statuses tab  and notice the commitment control flag is checked and grayed out.

Distribution									
Customize   Find   View All   First 1 of 1 Last									
Chartfields   Details/Tax   Asset Information   Req Detail   <b>Statuses</b>									
Dist	Status	Percent	Chartfield Status	Budget Status	Doc Tot	Status	Final	Commitment Control Close Flag	VAT Apport CF
1	Open	100.0000	Valid	Valid	Valid		<input type="checkbox"/>	<input checked="" type="checkbox"/>	✗

This indicates that the budget processor should fully liquidated the outstanding encumbrances upon running budget checking of the purchase order, which has already occurred on the voucher, which is why Budget Status is valid.

To look at the accounting entries the purchase order has made:

Navigation: Purchasing, Review PO Information, PO Accounting Entries

Select the following criteria:

### Selection Criteria

'Business Unit:  

From PO ID:   To PO ID:  

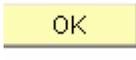
PO Status:  

Fiscal Year From/To:     Max Rows:

'Accounting Line View Option:   'Ledger Group:  

ChartFields						
	Fund	Dept	Account	Sub Acct	Rpt Cat	Project
1	<input type="text" value=""/>					

Then

click 

There is also an option to select “Detail” for the “Ledger Group”

Here are the results:

Accounting Entries												
Customize   Find   View All   First 1-4 of 4 Last												
Details ChartFields												
Purchase Order	Status	Vendor ID	Trans Type	Line	Sched	Dist	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0758100041	D	0000058455	PO_POENC	1	1	1	58100	A050401	300	150000	0000180307	
0758100041	D	0000058455	REVERSAL	1	1	1	58100	A050401	300	-20000	0000264446	09120011
0758100041	D	0000058455	REVERSAL	1	1	1	58100	A050401	300	-25000	0000673206	12010001
0758100041	D	0000058455	REVERSAL	1	1	1	58100	A050401	300	-105000	0001098430	02210001

Note the page is customized to see only the relevant data.

Notice the voucher was 02210001 and it was for \$15,000 not \$105,000. Since the voucher was finalized, the accounting entry is \$105,000 to fully liquidate the encumbrance.

Also notice the Journal Id is the same number as the Transaction Id. This is also found here and then used in the Activity Log under Commitment Control as previous demonstrated.

Now because this Purchase Order was used only for demonstration, the next step is to undo finalize on the voucher, which can be done at any time **as long as the purchase order is not closed**.

Go back to the voucher and click undo finalize  then wait for the document to budget check. Until the document is budget checked, the budget remains the same. Before continuing with any other actions, wait for the document to have a valid budget check status.

Here is the Budget details:

Ledger Amounts			
Budget:		150,000.00	USD
Expense:		60,000.00	USD
Encumbrance:		90,000.00	USD
Pre-Encumbrance:		0.00	USD
Associate Revenue:		0.00	USD
Available Budget			
Without Tolerance:	0.00	USD	Percent:
With Tolerance:	0.00	USD	Percent:

The 'Expense' increased by \$15,000, but the balance of \$90,000 remains in the "Encumbrance" bucket. This indicates, the agency can continue to voucher against that Purchase Order.

Here are the Transaction Id results of the Voucher: (Remember the "Transaction Id" for the voucher remained the same)

Transaction Type: AP\_VOUCHER    Commit Control ID: 0001098430    Commit Control Date: 02/21/2007  
 Process Instance: 1332663    Process Status: Valid    Maximum Rows: 100

Commitment Control Activity Log Lines								
Line	Ledger Group	Ledger	Unit	Document ID	Fund	Department	Account	Transaction Amount Curren
1	APROP_C	APRP_C_ENC	34100	02210001	58100	A050401	300	-15000.00 USD
1	APROP_C	APRP_C_EXP	34100	02210001	58100	A050401	535200	15000.00 USD
1	APROP_P	APRP_P_ENC	34100	02210001	58100	A050401	300	-15000.00 USD
1	APROP_P	APRP_P_EXP	34100	02210001	58100	A050401	300	15000.00 USD
1	DETAIL	DETAIL_EXP	34100	02210001	58100	A050401	535200	15000.00 USD

Notice the APRP\_P\_EXP remained the same at \$15,000, and APROP\_P\_ENC is reduced by \$15,000

Commitment Control Flag is now unchecked.

Dist	Status	Percent	Chartfield Status	Budget Status	Doc Tol Status	Final	Commitment Control Close Flag	VAT Apport CF
1	Open	100.0000	Valid	Valid	Valid	<input type="checkbox"/>	<input type="checkbox"/>	✗

### PO Accounting Entries

Purchase Order	Status	Vendor ID	Trans Type	Line	Sched	Dist	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0758100041	D	0000058455	PO_POENC	1	1	1	58100	A050401	300	150000	0000180307	
0758100041	D	0000058455	REVERSAL	1	1	1	58100	A050401	300	-20000	0000264446	09120011
0758100041	D	0000058455	REVERSAL	1	1	1	58100	A050401	300	-25000	0000673206	12010001
0758100041	D	0000058455	REVERSAL	1	1	1	58100	A050401	300	-15000	0001098430	02210001

Voucher 02210001 is for \$15,000.00

*If you have followed the above instructions and the budget has not been released properly, document all steps taken and forward to the help desk. Do not attempt to decrease the purchase order, remove the requisition or any other alterations to the documents.*

**CLOSE PURCHASE ORDER INSTRUCTIONS**

Scenario: Purchase Order number 0701000244 was created in the amount of \$269.00. A voucher was created for \$249.00, posted and paid. This left a balance of \$20 on the Purchase Order. The voucher was not finalized. The goal now is to close the purchase order.

Here are the accounting entries for the Purchase Order

Accounting Entries													
Purchase Order		Status	Vendor ID	Trans Type	Line	Sched	Dist	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0701000244		D	0000046773	PO_POENC	1	1	1	01000	P541	400	269	0000709409	
0701000244		D	0000046773	REVERSAL	1	1	1	01000	P541	400	-249	0000743224	12120012

Here are the accounting entries for the Requisition.

Accounting Entries													
Requisition ID	Trans Type	Unpost Seg	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Closed Value	Journal ID	Tran Date	Reference Reversal ID
0000000558	REQ_PREENC	0	1	1	34100	01000	P541	400	269	N	0000674624	12/01/2006	
0000000558	REVERSAL	0	1	1	34100	01000	P541	400	-269	N	0000709409	12/07/2006	0701000244

First step is to finalize the requisition, even though the full amount was sourced from the requisition to the purchase order.



The Purchase Order is “Finalized” and “Budget Status” is valid.

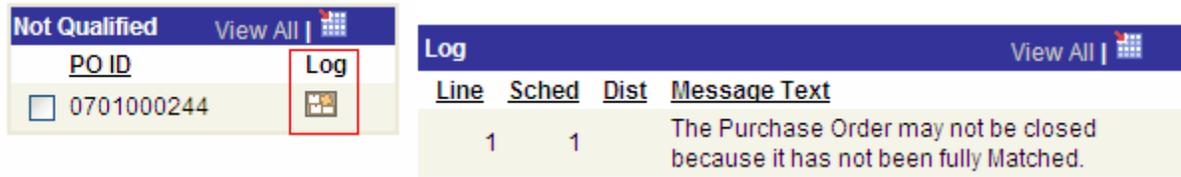
Note: Doing this did not change the budget or accounting entries, but becomes important when closing the document.

Also the purchase order is only partially matched. [this becomes important as the purchase order is closed].

The purchase order is closed through the “Reconciliation Workbench”.

See Reconciliation Workbench Instructions Guide

Since the purchase order is “not qualified,” view the log by pressing the “log” icon. See red box below.

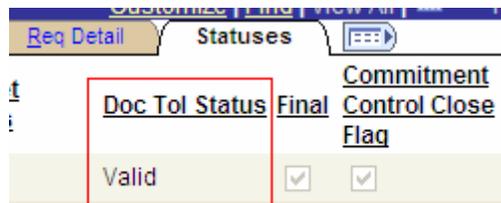


This demonstrates why it is important to know whether the purchase order is partial or matched. The purchase order can be closed, but it will only close the line(s). Had the PO been matched it would have qualified and the status would change from “Dispatched” to “Complete”.

Check the box next to the PO and click override

Update the Budget Date and Proceed. Note that budget checking and document tolerance processes will have to be run before budget is returned. This is done centrally every two hours.

Now, the line is closed, the schedule is closed and the distribution is open. This is okay because the user can not create vouchers from this PO and the commitment control flag is checked, meaning the **outstanding** encumbrance will be liquidated upon budget checking of the document.



Below is the budget before closing:

Ledger Amounts	
Budget:	238,000.00
Expense:	82,534.45
Encumbrance:	49,570.62
Pre-Encumbrance:	27,733.35
Associate Revenue:	0.00

Available Budget	
Without Tolerance:	78,161.58 USD Percent:

Below is the budget after closing:

Ledger Amounts	
Budget:	238,000.00 USD
Expense:	82,534.45 USD
Encumbrance:	49,550.62 USD
Pre-Encumbrance:	27,733.35 USD
Associate Revenue:	0.00 USD

Available Budget	
Without Tolerance:	78,181.58 USD Percent: (32.8)

Notice the encumbrance decreased by \$20 and the available budget increased by \$20 and the pre-encumbrance was unchanged.

Below are the PO accounting entries.

Accounting Entries												
Purchase Order	Status	Vendor ID	Trans Type	Line	Sched	Dist	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0701000244	D	0000046773	PO_POENC	1	1	1	01000	P541	400	269	0000709409	
0701000244	D	0000046773	PO_POENC	1	1	1	01000	P541	400	-269	0000709409	
0701000244	D	0000046773	PO_POENC	1	1	1	01000	P541	400	249	0000709409	
0701000244	D	0000046773	REVERSAL	1	1	1	01000	P541	400	-249	0000743224	12120012

Notice the two lines that were created when the purchase order was closed. This left a balance of -20. The original lines created left a balance of 20, so the close process needed to liquidate the **outstanding** encumbrance balance and now there is a zero balance.

Below are the Requisition accounting entries.

Accounting Entries													
Customize   Find   View All   First 1-4 of 4 Last													
Details ChartFields													
Requisition ID	Trans Type	Unpost Seg	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Closed Value	Journal ID	Tran Date	Reference Reversal ID
0000000558	REQ_PREENC	0	1	1	34100	01000	P541	400	269	N	0000674624	12/01/2006	
0000000558	REVERSAL	0	1	1	34100	01000	P541	400	-269	N	0000709409	12/07/2006	0701000244
0000000558	REVERSAL	0	1	1	34100	01000	P541	400	-269	N	0000709409	12/07/2006	0701000244
0000000558	REVERSAL	0	1	1	34100	01000	P541	400	269	N	0000709409	12/07/2006	0701000244

Notice the two new reversal lines; these were not created from finalizing the requisition but from closing the purchase order.

Closing of the purchase order liquidates the **outstanding** encumbrance, which is why two were created on the purchase order a positive 249 and a negative 269 liquidating the balance. The requisition also liquidates the balance but because we also finalized it the amounts were -269 and +269 instead of -249 and +269. If we had not finalized, we would still have a pre-encumbrance balance.

Select the purchase order with a balance of \$1.17, which was closed, but the requisition was not finalized.

Here are the accounting entries before closing the PO

Accounting Entries												
Customize   Find   View All   First 1-6 of 6 Last												
Details ChartFields												
Purchase Order	Vendor ID	Trans Type	Line	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0717600051	0000041754	PO_POENC	1	1	1	35600	17600	P637	400	90.55	0000162948	
0717600051	0000041754	PO_POENC	2	1	1	35600	17600	P637	400	7.34	0000162948	
0717600051	0000041754	PO_POENC	3	1	1	35600	17600	P637	400	18.75	0000162948	
0717600051	0000041754	REVERSAL	1	1	1	35600	17600	P637	400	-90.55	0000302076	00000164
0717600051	0000041754	REVERSAL	2	1	1	35600	17600	P637	400	-6.17	0000302076	00000164
0717600051	0000041754	REVERSAL	3	1	1	35600	17600	P637	400	-18.75	0000302076	00000164

Notice there is still a balance of \$1.17, except that all the lines are matched.

Here are the accounting entries for the requisition

Accounting Entries													
Customize   Find   View 9   First 1-12 of 12 Last													
Details ChartFields													
Requisition ID	Trans Type	Line	Sched	Dist	Entry Event	GL Unit	Fund	Dept	Account	Monetary Amount	Journal ID	Tran Date	Reference Reversal ID
0000000058	REQ_PREENC	3	1	1		35600	17600	P637	400	18.75	0000160346	08/21/2006	
0000000058	REQ_PREENC	2	1	1		35600	17600	P637	400	7.34	0000160346	08/21/2006	
0000000058	REQ_PREENC	1	1	1		35600	17600	P637	400	90.55	0000160346	08/21/2006	
0000000058	REVERSAL	3	1	1		35600	17600	P637	400	-18.75	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	1	1	1		35600	17600	P637	400	-90.55	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	2	1	1		35600	17600	P637	400	-7.34	0000162948	08/21/2006	0717600051

Notice the balance is zero because the agency sourced the full amount to the Purchase Order.

Next, close the purchase order through the “Reconciliation Workbench”

The Purchase Order is closed and has a status of “Complete” and valid “Budget Check”

PO Status: Compl

Budget Status: Valid

The PO status of “Compl” is because the purchase order was matched.

Here are the PO accounting entries after

Accounting Entries												
Customize   Find   View 10   First 1-12 of 12 Last												
Details ChartFields												
Purchase Order	Vendor ID	Trans Type	Line	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0717600051	0000041754	PO_POENC	1	1	1	35600	17600	P637	400	90.55	0000162948	
0717600051	0000041754	PO_POENC	1	1	1	35600	17600	P637	400	90.55	0000162948	
0717600051	0000041754	PO_POENC	1	1	1	35600	17600	P637	400	-90.55	0000162948	
0717600051	0000041754	PO_POENC	2	1	1	35600	17600	P637	400	7.34	0000162948	
0717600051	0000041754	PO_POENC	2	1	1	35600	17600	P637	400	6.17	0000162948	
0717600051	0000041754	PO_POENC	2	1	1	35600	17600	P637	400	-7.34	0000162948	
0717600051	0000041754	PO_POENC	3	1	1	35600	17600	P637	400	18.75	0000162948	
0717600051	0000041754	PO_POENC	3	1	1	35600	17600	P637	400	18.75	0000162948	
0717600051	0000041754	PO_POENC	3	1	1	35600	17600	P637	400	-18.75	0000162948	
0717600051	0000041754	REVERSAL	1	1	1	35600	17600	P637	400	-90.55	0000302076	00000164
0717600051	0000041754	REVERSAL	2	1	1	35600	17600	P637	400	-6.17	0000302076	00000164
0717600051	0000041754	REVERSAL	3	1	1	35600	17600	P637	400	-18.75	0000302076	00000164

Still a balance of zero, the original lines created had a positive balance of \$1.17 and the new lines created a negative balance of \$1.17, liquidating the **outstanding** encumbrance.

Here are the requisition accounting entries

Accounting Entries													
Customize   Find   View 9   First 1-12 of 12 Last													
Details ChartFields													
Requisition ID	Trans Type	Line	Sched	Dist	Entry Event	GL Unit	Fund	Dept	Account	Monetary Amount	Journal ID	Tran Date	Reference Reversal ID
0000000058	REQ_PREENC	3	1	1		35600	17600	P637	400	18.75	0000160346	08/21/2006	
0000000058	REQ_PREENC	2	1	1		35600	17600	P637	400	7.34	0000160346	08/21/2006	
0000000058	REQ_PREENC	1	1	1		35600	17600	P637	400	90.55	0000160346	08/21/2006	
0000000058	REVERSAL	3	1	1		35600	17600	P637	400	-18.75	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	3	1	1		35600	17600	P637	400	-18.75	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	2	1	1		35600	17600	P637	400	-6.17	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	2	1	1		35600	17600	P637	400	-7.34	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	1	1	1		35600	17600	P637	400	-90.55	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	1	1	1		35600	17600	P637	400	-90.55	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	3	1	1		35600	17600	P637	400	18.75	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	2	1	1		35600	17600	P637	400	7.34	0000162948	08/21/2006	0717600051
0000000058	REVERSAL	1	1	1		35600	17600	P637	400	90.55	0000162948	08/21/2006	0717600051

The closing created the exact same lines as the purchases order except that the signs are reversed, leaving a balance of \$1.17 in pre-encumbrance, because the requisition was not finalized.

Here is the budget before

Pre-Encumbrance:	105,170.00  USD
------------------	--

And after

Pre-Encumbrance:	105,171.17  USD
------------------	--

### **How is the \$1.17 released back to the budget?**

The next step would be to also “Close” the requisition through the Reconciliation Workbench. Note: you can close requisitions that are sourced to a PO as long as the PO is closed and the budget header status is valid.

“Close” the purchase order using the “Reconciliation Workbench”.

Note: The “Reconcile Purchase Orders/Requisition” menu also has an option to re-open purchase order/requisitions. This process will reverse the effects of the PO/Req Recon process to the **most recently** processed group of POs/Reqs. Run this process to return each PO/Req status prior to the last run of the Recon Process.

After each Recon process, review the budget to ensure it is properly reflecting the correct balance before running another Recon Process. This will allow the agency to use the re-open process if needed.

## **PRE-ENCUMBRANCE RECONCILIATION INSTRUCTIONS**

When a Requisition is created and budget checked, pre-encumbrance is adjusted. The requisition should then be sourced to the Purchase Order for the same amount. If the amount of the purchase order is less than the requisition, then the requisition needs to be finalized on the Purchase Order.

PO Status:            Dispatched               
Budget Status:        Valid                     

The icon (in the red box above) on the Purchase Order is the finalize document button. This will finalize all referenced requisitions for the current purchase order. The system checks all line distributions in the purchase order for the associated predecessor requisition distributions.

When this button is selected, this also checks the “Final” under the statuses tab of the distributions line.

**Final**



Let’s drill to the activity log under commitment control for pre-encumbrances.

Navigation: Commitment Control, Review Budget Activities, Budget Details

Search for the Budget and select the drill down  next to the desired pre-encumbrance amount.

Please select one of the following links:

[Drill to Ledger](#)

[Drill to Activity Log](#)

[Cancel](#)

Here are the results:

**Activity Log**

Ledger: APRP\_P\_PRE

Display open pre-encumbrances only

Budget Activity Lines								Customize	Find	View All	First	1-55 of 55	Last
Tran ID	Tran Date	Tran Line	Ref Bdtg?	Year	Period	Foreign Amount	Monetary Amount						
0000055513	07/24/2006		1 N	2007	1	2700.00 USD	2700.00 USD						
0000076312	07/28/2006		1 N	2007	1	10000.00 USD	10000.00 USD						
0000076438	07/28/2006		1 Y	2007	1	-2700.00 USD	-2700.00 USD						
0000083864	07/31/2006		1 N	2007	1	6000.00 USD	6000.00 USD						
0000097792	08/02/2006		1 N	2007	2	2500.00 USD	2500.00 USD						
0000100880	08/03/2006		1 Y	2007	2	-10000.00 USD	-10000.00 USD						
0000100889	08/03/2006		1 Y	2007	2	-2500.00 USD	-2500.00 USD						
0000115153	08/07/2006		1 N	2007	2	13500.00 USD	13500.00 USD						
0000122906	08/09/2006		1 N	2007	2	30000.00 USD	30000.00 USD						
0000123456	08/09/2006		1 N	2007	2	12500.00 USD	12500.00 USD						
0000127372	08/09/2006		1 Y	2007	2	-30000.00 USD	-30000.00 USD						
0000127395	08/09/2006		1 Y	2007	2	-6000.00 USD	-6000.00 USD						
0000129603	08/10/2006		1 Y	2007	2	-13500.00 USD	-13500.00 USD						
0000154698	08/17/2006		1 Y	2007	2	-12500.00 USD	-12500.00 USD						

The positive numbers are Requisitions and the negative numbers are Purchase Orders. The amounts should be the same in and out. To download this data to Excel, press the Excel icon (in the red box above). By downloading to Excel, we would be able to cancel all the positives with a corresponding negative number. The balance should only be positive numbers which would represent the requisitions that have not yet been sourced to a Purchase Order.

To display open pre-encumbrances only, check the “display open pre-encumbrance only” box.

**Activity Log**

Ledger: APRP\_P\_PRE

Display open pre-encumbrances only

Budget Activity Lines								Customize	Find	View All	First	1-5
Tran ID	Tran Date	Tran Line	Ref Bdtg?	Budget Period	Year	Period	Foreign Amount	Monetary Amount				
0000242811	09/07/2006		1 N		2007	3	30000.00 USD	30000.00 USD				
0000244594	09/07/2006		1 N		2007	3	25000.00 USD	25000.00 USD				
0000810723	01/02/2007		1 N		2007	7	29617.00 USD	29617.00 USD				
0000810887	01/02/2007		1 N		2007	7	150000.00 USD	150000.00 USD				
0000865956	01/12/2007		1 N		2007	7	2500.00 USD	2500.00 USD				

OK

These amounts are all positive and represent requisitions that have not been sourced to a purchase order.

Next, review another budget where the agency did not finalize the requisitions as they sourced different amounts from requisition to purchase order.

Again choose “Display Open pre-encumbrances only” box.

**Activity Log**

Ledger: APRP\_P\_PRE  
 Display open pre-encumbrances only

Tran ID	Tran Date	Tran Line	Ref Bdgt?	Budget Period	Year	Period	Foreign Amount	Monetary Amount	Sta
0000020777	07/13/2006	1	Y		2007	1	-435.05 USD	-435.05 USD	
0000015574	07/11/2006	1	Y		2007	1	-153.90 USD	-153.90 USD	
0000020777	07/13/2006	2	Y		2007	1	-30.24 USD	-30.24 USD	
0000008307	07/03/2006	2	N		2007	1	83.40 USD	83.40 USD	
0001073562	02/15/2007	1	N		2007	8	160.00 USD	160.00 USD	
0000778688	12/21/2006	8	N		2007	6	450.00 USD	450.00 USD	
0000008307	07/03/2006	1	N		2007	1	1200.00 USD	1200.00 USD	
0001073562	02/15/2007	2	N		2007	8	1687.00 USD	1687.00 USD	
0000009106	07/05/2006	1	N		2007	1	1716.00 USD	1716.00 USD	
0000778688	12/21/2006	9	N		2007	6	2550.00 USD	2550.00 USD	
0000902036	01/22/2007	1	N		2007	7	3500.00 USD	3500.00 USD	
0000778688	12/21/2006	7	N		2007	6	171000.00 USD	171000.00 USD	

OK

Notice there are some negative amounts listed under Budget Activity Lines. This means the agency sourced some requisitions at different amounts and did not finalize.

How do you determine what purchase orders need to be finalized?

First note the Tran Id of the first negative amount. **0000020777**, which in this case is seen twice, meaning these amounts are from the same purchase order just different lines.

Now go to the activity log under commitment control.

Navigation: Commitment Control, Review Budget Activities, Activity Log

Enter the number in the “Commitment Control Tran Id” and press the search button.

Commitment Control Tran ID:

Results:

Commitment Control Activity Log Lines								
Budget Chartfields		Amounts						
Line	Ledger Group	Ledger	Unit	Document ID	Fund	Department	Account	Transaction Amount Currency
1	APROP_C	APRP_C_ENC	34100	0701000027	01000	P544	544100	435.05 USD
1	APROP_C	APRP_C_PRE	34100	0701000027	01000	P544	544100	-435.05 USD

Drill to the line that has the desired dollar amount.

Results:

### Purchase Order Line Drill Down

#### Transaction Line Identifiers

**Business Unit:** 34100      **PO Number:** 0701000027  
**Line Number:** 1      **Schedule Number:** 1  
**Type:** DST      **Distribution Line:** 1

#### Transaction Line Details

Fund	Department	Account	Bud Ref	Class
01000	9010000000	544100	107	60000

**Line Status:** Valid  
**Budget Date:** 07/13/2006  
**Line Amount:** 435.05      USD

OK

Here is the Purchase Order for \$435.05, lets drill to see what the sourced requisition is and the amount.

Here is the PO line

Customize   Find   View All   First 1 of 1 Last					
Qty	*UOM	Category	Price	Amount	Status
1.0000	MON	561212	465.29000	465.29	Active

Here is the requisition id.

Line	Sched	Dist	Request BU	Req ID	Req Line	Req Sched	Req Distr	PO Qty	Amount	Req Amount	Req Qty	Final
1	1	1	34100	0000000018	1	1	1		435.050	1200.000	11.2202	<input type="checkbox"/>
1	1	2	34100	0000000018	1	1	2		30.240	83.400	0.7798	<input type="checkbox"/>

This indicates the user changed the Purchase Order to amount only, meaning a quantity of one, but did not update the price to equal 1200.00. So, now the purchase order is 1 @ 465.29.

The next step is to finalize  the Purchase Order to release the balance of \$818.11 to the available budget.

It is necessary to re-budget check the Purchase Order so that the status is now valid.

Now review the Budget:

Before:

**Pre-Encumbrance:** 181,727.21  USD

After:

**Pre-Encumbrance:** 180,909.10  USD

The difference is \$818.11

Now drill  to the activity log under commitment control for pre-encumbrances.

Please select one of the following links:

- [Drill to Ledger](#)
- [Drill to Activity Log](#)

Activity Log

Ledger: APRP\_P\_PRE

Display open pre-encumbrances only

Budget Activity Lines									
Customize   Find   View All   First   1-8 of 8   Last									
Budget Chartfields   Line Amount									
Tran ID	Tran Date	Tran Line	Ref Bdgt?	Budget Period	Year	Period	Foreign Amount	Monetary Amount	Statistic Amount
0000015574	07/11/2006		1 Y		2007	1	-153.90 USD	-153.90 USD	0.00
0001073562	02/15/2007		1 N		2007	8	160.00 USD	160.00 USD	0.00
0000778688	12/21/2006		8 N		2007	6	450.00 USD	450.00 USD	0.00
0001073562	02/15/2007		2 N		2007	8	1687.00 USD	1687.00 USD	0.00
0000009106	07/05/2006		1 N		2007	1	1716.00 USD	1716.00 USD	0.00
0000778688	12/21/2006		9 N		2007	6	2550.00 USD	2550.00 USD	0.00
0000902036	01/22/2007		1 N		2007	7	3500.00 USD	3500.00 USD	0.00
0000778688	12/21/2006		7 N		2007	6	171000.00 USD	171000.00 USD	0.00

OK

Notice now the only line left is the -153.90

Follow the same steps to clear this amount, leaving only the positive amounts which again represent the requisitions that still need to be sourced to a purchase order. Once the \$-153.90 is cleared our pre-encumbrances will be reconciled.

## **CANCEL A PURCHASE ORDER INSTRUCTIONS**

Scenario: Requisition #0000000560 for \$11,850 is sourced to Purchase Order 0701000251, in the amount of \$11,850. The vendor used on the Requisition and Purchase Order is incorrect. The Purchase Order needs to be cancelled, but the requisition should not be resourced.

Go to Purchase Order 0701000251 and cancel



The following message appears.

**Would you like to open the Requisition quantity(ies) to be sourced again?**

- Yes, Re-source All Reqs
- No, Do not Re-source Reqs
- Specify Reqs to Re-source

**Continue**

*Note: to resource the requisition, select either “Yes, Re-source all Reqs” or “Specify Reqs to Re-source.”*

The scenario above is to cancel the Purchase Order, and return the encumbrance and pre-encumbrance to the budget.

Note: The requisition was for \$11,850.00. The full amount was sourced to the purchase order. No changes were made to chartfields when the requisition was sourced to the purchase order. If the agency had only sourced \$10,000, it would be necessary to finalize the requisition before it was cancelled so the available budget would increase by \$11,850.

Below is the budget before the purchase order was cancelled

Ledger Amounts			
Budget:		825,800.00	USD
Expense:		151,783.14	USD
Encumbrance:		126,161.36	USD
Pre-Encumbrance:		181,754.21	USD
Associate Revenue:		0.00	USD
Available Budget			
Without Tolerance:	366,101.29	USD	Percent: (44.
With Tolerance:	366,101.29	USD	Percent: (44.

Below is the budget after the purchase order is cancelled

Ledger Amounts			
Budget:		825,800.00	
Expense:		151,783.14	
Encumbrance:		114,311.36	
Pre-Encumbrance:		181,754.21	
Associate Revenue:		0.00	
Available Budget			
Without Tolerance:	377,951.29	USD	Percent:
With Tolerance:	377,951.29	USD	Percent:
Budget Exceptions			

Notice the Encumbrance decreased by \$11,850 and the available budget increased by \$11,850. The pre-encumbrance was unchanged.

Let's look at the PO accounting entries.

Accounting Entries												
Customize   Find   View All   First   1-4 of 4   Last												
Details   ChartFields   [ESC]												
Purchase Order	Status	Vendor ID	Trans Type	Line	Sched	Dist	Fund	Dept	Account	Monetary Amount	Journal ID	Reference Reversal ID
0701000251	PX	0000009262	PO_POENC	1	1	1	01000	9077000000	544000	0	0000740782	
0701000251	PX	0000009262	PO_POENC	2	1	1	01000	9077000000	544000	0	0000740782	
0701000251	PX	0000009262	PO_POENC	3	1	1	01000	9077000000	544000	0	0000740782	
0701000251	PX	0000009262	PO_POENC	4	1	1	01000	9077000000	544000	0	0000740782	

Notice the monetary amounts are zero and the requisition accounting entries were not affected by the cancellation.

Accounting Entries													
Details		Customize   Find   View All   First 1-8 of 8 Last											
Requisition ID	Trans Type	Unpost Seg	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Closed Value	Journal ID	Tran Date	Reference Reversal ID
000000560	REQ_PREENC	0	1	1	34100	01000	9077000000	548400	8470	N	0000678784	12/04/2006	
000000560	REQ_PREENC	0	1	1	34100	01000	9077000000	548400	2990	N	0000678784	12/04/2006	
000000560	REQ_PREENC	0	1	1	34100	01000	9077000000	548400	80	N	0000678784	12/04/2006	
000000560	REQ_PREENC	0	1	1	34100	01000	9077000000	548400	310	N	0000678784	12/04/2006	
000000560	REVERSAL	0	1	1	34100	01000	9077000000	548400	-8470	N	0000740782	12/12/2006	0701000251
000000560	REVERSAL	0	1	1	34100	01000	9077000000	548400	-2990	N	0000740782	12/12/2006	0701000251
000000560	REVERSAL	0	1	1	34100	01000	9077000000	548400	-80	N	0000740782	12/12/2006	0701000251
000000560	REVERSAL	0	1	1	34100	01000	9077000000	548400	-310	N	0000740782	12/12/2006	0701000251

Notice the requisition is still sourced to the purchase order, which is now cancelled.

Make note of the Journal Id and look at the commitment control activity log.

Navigation: Commitment Control, Review Budget Activities, Activity Log

Enter the Journal Id for the Purchase Order into the Commitment Control Tran Id and press SEARCH:

Commitment Control Tran ID:

The results are:

Line	Ledger Group	Ledger	Unit	Document ID	Fund	Department	Account	Transaction Amount	Transaction Currency	Base Amount	Base Currency
1	DEPT_C	DEPT_C_ENC	34100	0701000251	01000	9077000000	544000		USD		USD
1	DEPT_C	DEPT_C_PRE	34100	0701000251	01000	9077000000	548400	-8470.00	USD	-8470.00	USD

For demonstration purposes, review line 1 only. The Dept\_C\_Pre is still -8470.00 and the Dept\_C\_Enc is zero, because of the cancellation.

The status of the Purchase Order is shown below.

**PO Status:** Pend Cncl

To cancel a purchase order in it's entirely, the purchase order can not have been dispatched.

Since the PO above was dispatched prior to cancelling it is now in a Pend Cancel status and needs to be dispatched.

Second Scenario:

Requisition #0000000688 was for \$54 but when it was sourced to a Purchase Order #0701000290 the amount was changed to \$27.00 and then the Purchase Order was cancelled and the requisition was not selected to re-source, so now there is 27.00 in pre-encumbrance, because the requisition was not finalized.

Here are the open pre-encumbrances from the activity log:

Ledger: APRP\_P\_PRE  
 Display open pre-encumbrances only

Budget Activity Lines									
Tran ID	Tran Date	Tran Line	Ref Bdgt?	Budget Period	Year	Period	Foreign Amount	Monetary Amount	Statistic Amount
0000991460	01/31/2007		1 N		2007	7	54.00 USD	54.00 USD	0.00
0001018187	02/05/2007		1 Y		2007	8	-27.00 USD	-27.00 USD	0.00

The negative 27.00 represents the amount sourced to the purchase order.

The accounting entries for the requisition are shown. Again, they are not affected by the cancellation, which is why it is necessary to finalize first.

Requisition ID	Trans Type	Unpost Seq	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Closed Value	Journal ID	Tran Date	Reference Reversal ID
0000000688	REQ_PREENC	0	1	1	34100	01000	9077000000	544000	54	N	0000991460	01/31/2007	
0000000688	REVERSAL	0	1	1	34100	01000	9077000000	544000	-27	N	0001018187	02/05/2007	0701000290

**So how is the pre-encumbrance released to the budget when the Purchase Order is cancelled?**

First, “Close” the Purchase Order through the Reconciliation Workbench.

See Reconciliation Workbench Instructions Guide.

The purchase order is “qualified” so the next step is to update the budget date.

Accounting Date for Action: 02/22/2007 

Update Budget Date Equal to Accounting Date

Qualified	Find	View All	Download	1 of 1
PO ID	Line	Sched	Distrib	Line
0701000290				

Now the Purchase Document has a status of Complete.

Second step is to “Close” the requisition through the Reconciliation Workbench

Note: you can close requisitions that are sourced to a PO as long as the PO is closed and the budget header status is valid.

See Reconciliation Workbench Instructions Guide.

When searching for the requisition, make sure to check “complete” under Sourcing (otherwise no results will be displayed).

**Sourcing**

Available  Complete

Follow the same steps as the Purchase Order except that the requisition will need to be budget checked.

Following budget checking, the requisition is also complete and has a valid budget status. Again review the budget.

Below is the budget before the requisition was closed.

<b>Pre-Encumbrance:</b>	181,754.21 
Associate Revenue:	0.00 
<b>Available Budget</b>	
<b>Without Tolerance:</b>	377,951.29  USD <b>Percent:</b>

Below is the budget after the requisition was closed.

<b>Pre-Encumbrance:</b>	181,727.21 USD
<b>Associate Revenue:</b>	0.00 USD
<b>Available Budget</b>	
<b>Without Tolerance:</b>	377,978.29 USD <b>Percent:</b> (45.7

The pre-encumbrance decreased by \$27 and the available budget increase by \$27.

### Requisition Accounting Entries

Accounting Entries													
Customize   Find   View All   First 1-4 of 4 Last													
Details ChartFields													
Requisition ID	Trans Type	Unpost Seq	Sched	Dist	GL Unit	Fund	Dept	Account	Monetary Amount	Closed Value	Journal ID	Tran Date	Reference Reversal ID
000000688	REQ_PREENC	0	1	1	34100	01000	9077000000	544000	54	N	0000991460	01/31/2007	
000000688	REQ_PREENC	0	1	1	34100	01000	9077000000	544000	-54	N	0000991460	01/31/2007	
000000688	REQ_PREENC	0	1	1	34100	01000	9077000000	544000	27	Y	0000991460	01/31/2007	
000000688	REVERSAL	0	1	1	34100	01000	9077000000	544000	-27	N	0001018187	02/05/2007	0701000290

Notice the requisition has -54 which represents the closing of the requisition.