



OMNI AR/Billing: Handling Pending Charges with No Available PO to Charge

Detailed Business Process Guide – ABILL16

About this Document

FSU requires that departments have valid, dispatched a PO in place if they have pending/ongoing purchases from an auxiliary utilizing the OMNI AR/Billing system. This document outlines the steps that Selling Auxiliary departments should take when they have a pending charge for an internal customer, but they are unable to successfully bill because there is no Purchase Order/Purchase Order Line to charge. The document also describes the steps selling auxiliaries should take to minimize the number of pending/ongoing charges without PO/lines to charge.

Definitions

- Pending Charge: A charge generated by a Selling Auxiliary that has not yet been invoiced. Here, we're discussing Pending Charges for internal customers that do not have an available PO/line to charge.
- Ongoing Charge: A charge that repeats automatically for a period of time or indefinitely, such as telecom or copier lease bills.
- Valid PO: A "Valid" PO refers to a Purchase Order that is in a condition where it can be successfully vouchered by the internal billing cycle processes. A Valid PO/line will have a PO in "Dispatched" status, will be for the authorized department/fund/project/optional chartfields, will be to the appropriate vendor, and will be for the appropriate category code.

Avoiding Pending Charges

This section describes how to avoid pending charges without a valid PO/line and maximize internal billing success.

Require & Validate Purchase Order Before Providing Good/Service

The most effective way to ensure your charges are billed successfully is to **ensure the PO and line is in place and is valid before offering the good/service to the internal customer**. This applies to one-time charges as well as new, recurring services. It is the selling department's responsibility to ensure systems and processes are set up to enforce this requirement, and that staff responsible for this task are trained and aware of the tools available to them and trained to perform this function.

Assisting with Communication at Fiscal Year-End

Internal customers (FSU departments paying with FSU funds) set up PO's at the beginning of the fiscal year for ongoing/pending charges that cross fiscal years. The Controller's Office manages the communication, identification, and enforcement of the requirement that departments set up PO's at the start of a new fiscal year, but will require information from the auxiliary in order to have an accurate list of the charges. It is the selling department's responsibility to provide accurate and timely information to assist the Controller's Office in this task. The Selling Auxiliary should work in tandem with the Controller's Office to proactively communicate with their customers regarding the need to enter a PO.



Timely Billing

The more time has passed between when a charge is incurred and the date it is billed, the more likely it is that a pending charge will not be able to be processed even with Auxiliary Accounting's intervention. For this reason, it is imperative that selling auxiliaries bill for their charges timely, as required by FSU's [Accounts Receivable policy](#). Selling auxiliaries should follow up in the event that a charge has been incurred without a PO/line promptly. **Any charge with an activity/event/"charge to" date more than 60 days prior to the date it is submitted to Auxiliary Accounting for follow-up will be the responsibility of the Selling Auxiliary. In general, the Controller's Office will not facilitate correspondence with the buying department for these charges, and it will be primary responsibility of the Selling Auxiliary to secure the necessary PO/line.**

Ongoing Charges: Checking for PO's Early & Often

Some ongoing charges occur repeatedly throughout the year (*for example, telephone charges or copier rental charges*). It is possible that an internal customer could have satisfied the requirement to have a PO/line in place at the beginning of the year, but something could have happened during the year that causes the PO/line to no longer be available to charge. The reasons are listed below and will trigger "x's" on the Pre-AP check query to notify the Selling Auxiliary of the issue. Selling auxiliaries should work to identify these issues as early as possible by loading their charge data timely; additionally, they should review the Pre-AP check query when they have entered/uploaded their data as well as again before the bill cycle.

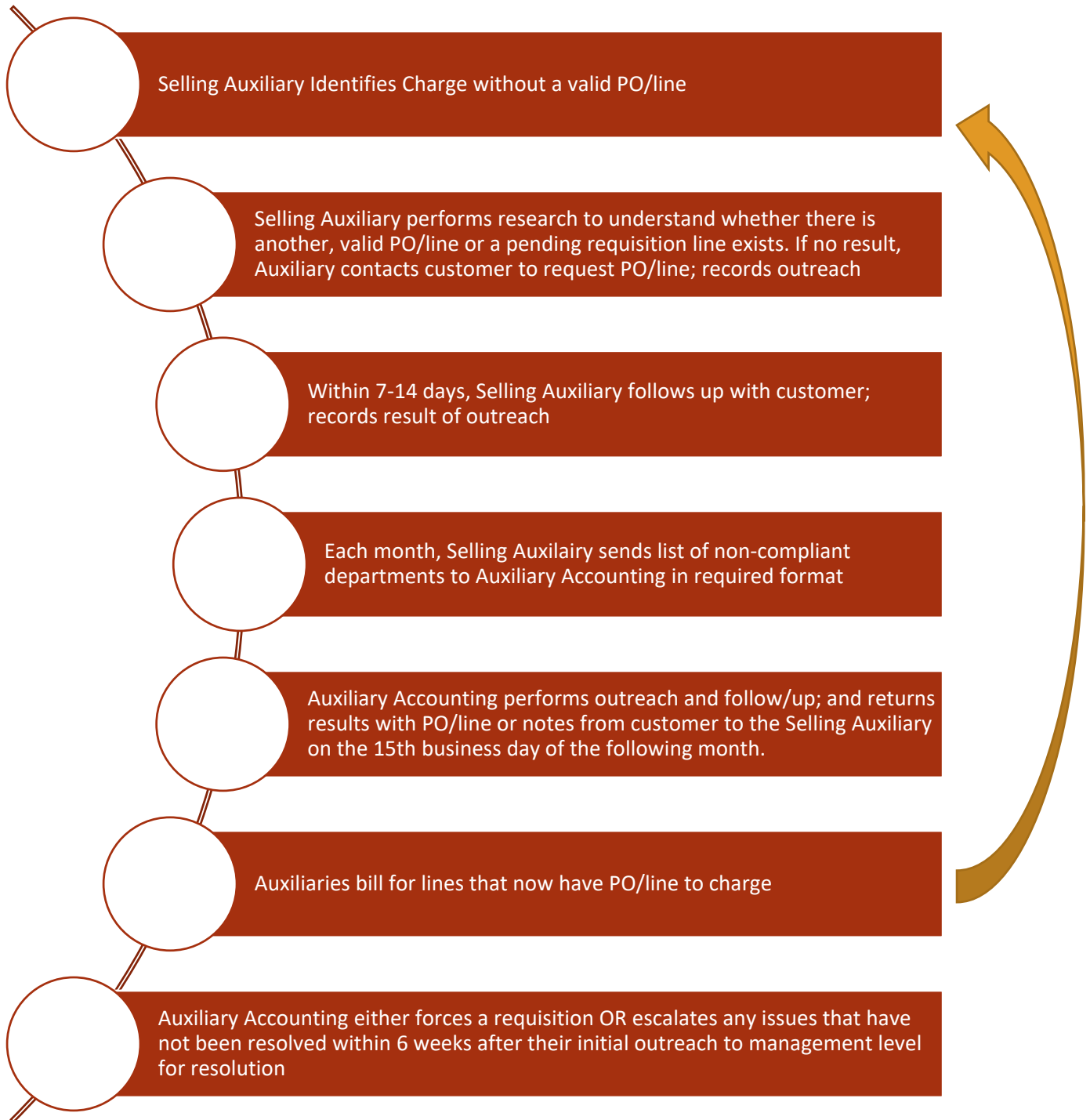
Reasons that could cause an invalid/missing PO/line:

- 1. The PO was on a project, and Sponsored Research Accounting Services has instructed Auxiliary Accounting to close the PO.**
 - **Note:** *Auxiliary Accounting notifies the appropriate Selling Auxiliary when this request affects a PO in their area, and will not close the PO until after the month's billing cycle has ended. This way, the Selling Auxiliary has enough time to process any pending/ongoing charges for the month before the PO is closed, and can work with the customer to identify an alternate funding source if needed.*
- 2. The PO was on a project, and Sponsored Research Accounting Services has closed the contract behind the project, rendering the PO unchargeable.**
 - This will appear as a flag on the Pre-AP check query. Usually, Step 1 will have occurred before hand. If this happens, the Selling Auxiliary must contact the customer for an alternate funding source, as no vouchers will be processed on the corresponding project.
- 3. The PO was edited via a change order and re-budget checked, and at the time it re-budget check there was insufficient budget to cover the encumbrance.**
 - This is a relatively rare occurrence. This will appear as a flag on the Pre-AP check query as the PO will no longer be in "Dispatch" status.
- 4. The PO or the PO line has been canceled at the request of the customer.**
 - **Note:** *Auxiliary Accounting notifies the appropriate Selling Auxiliary when this request affects a PO in their area, and typically will not close the PO until after the month's billing cycle has ended. This way, the Selling Auxiliary has enough time to process any pending/ongoing charges for the month before the PO is closed, and can work with the customer to identify an alternate funding source if needed. If the funds are needed by the department immediately, Auxiliary Accounting may need to cancel the line before the billing cycle, but this is only on an exception basis and the Selling Auxiliary will be notified.*



Procedures: Overview

This diagram outlines the general procedures for handling pending charges without a valid PO/line. See the [next section](#) for detailed instructions.





Procedures: Detail

Step 1. Selling Auxiliary Identifies Charge without a valid PO/line

Selling Auxiliary encounters charge without valid PO/line, despite taking all steps outlined in the "[Avoid Pending Charges](#)" section above and promptly takes the next step.

Step 2. Selling Auxiliary performs research to understand whether there is another, valid PO/line or a pending requisition line exists. If no result, Auxiliary contacts customer to request PO/line; records outreach.

Selling Auxiliary runs queries (FSU_AUX_PO_DTL, FSU_AUX_REQUISITIONS) to understand if there is another, valid PO/line available to charge, or if there is a requisition that just has not been approved. The Selling Auxiliary contacts the departmental contact, if necessary (Requestor, Budget Account Manager, other preferred contact) to resolve the issue (such as asking for approver to approve, etc). This contact can occur via phone or email - whichever is most effective for the situation at hand.

If new, valid PO/line is discovered during this step, it is added to the bill line and no further action is needed.

If no valid PO/line is discovered, the Selling Auxiliary records the contact with the customer and proceeds to the next step.

Step 3. Within 7-14 days, Selling Auxiliary follows up with customer; records result of outreach.

Selling Auxiliary repeats query investigation outlined in [Step 2](#) to understand if the requested action has taken place. If there is a valid PO/line to charge, then it is added to the bill line and no further action is needed.

If the requested action has not been taken, the Selling Auxiliary records the contact with the customer and proceeds to the next step. The charge is now eligible to be sent to Auxiliary Accounting for further research and investigation.

Step 4. Each month, Selling Auxiliary sends list of non-compliant departments to Auxiliary Accounting in required format.

After Step 3 has been satisfied, the charge is eligible to be sent to Auxiliary Accounting, who will research the issue and correspond with the customer on your behalf.

Create an Excel document following the below requirements and email the file to ctl-auxiliaryaccounting@fsu.edu with the subject "**Pending Charges with No Available PO/Line.**" Once you have sent the file to Auxiliary Accounting, you should cease contacting those departments to minimize any miscommunication or inconsistent messaging between Auxiliary Accounting and the Selling Auxiliary. It is suggested that Selling Auxiliaries use the template provided by Auxiliary Accounting.

Requirements for Sending Pending Charges to Auxiliary Accounting

1. **Whenever you send a new file, please ensure that it replaces the previous file in its entirety.** In other words, it represents the complete list of pending charges with no available PO, not a subset of new lines. This way, we're only working from one file at any given time and are sure to be working with updated data.
2. **Each Selling Auxiliary should send only one file** for the entire Bill Source; we should not receive multiple files from different staff within an auxiliary. Please designate one individual to prepare and submit the final file.
3. **Whenever you send a new file, ensure you have completed research to ensure there is not a valid PO/line** as of the date you are sending the file.



4. Ensure the file is in **Excel format**
5. **Do not include any charges where the customer has disputed the charge, or where you have reached an alternative solution.** Disputes should be resolved internally and only be escalated to Auxiliary Accounting after discussion with the Auxiliary Accounting Manager (Cassandra Rayne Gross).
6. The file should **include these fields (columns) at a minimum:**
 - Bill Source
 - Customer ID
 - Invoice ID (from OMNI)
 - Charge date
 - Charge description
 - Charge amount
 - Whether the charge is a one-time charge or is recurring
 - The PO/PO line you originally collected that is now invalid (so we can find funding information) OR, for new fiscal-year charges, the PO/PO line you had on record last year
 - **FOR ITS ONLY:** budget information may be provided in lieu of PO/line
 - The date of your first outreach to the customer, with comments including who was contacted, how you contacted them, and the nature of your contact.
 - *For example, 8/8/2017 – Emailed Susie Seminole at sseminole@fsu.edu. She responded that she would get back to me next week.*
 - The date of your second outreach to the customer, with comments
 - *For example, 8/15/2017 – Called Susie Seminole at 644-1111 and called requestor Donnie Doak at 645-2184. No resolution achieved; requestor promised to enter a requisition, but as of today, 8/30/2017, no requisition is in place.*
 - Any other information you believe would be useful for Auxiliary Accounting to know, such as Contract ID, etc.

Step 5. Auxiliary Accounting performs outreach and follow/up; and returns results with PO/line or notes from customer to the Selling Auxiliary on the 15th day of the following month.

Auxiliary Accounting will review the information submitted to determine the best action. Auxiliary Accounting will contact the customer and notify them of the pending charge and the requirement to have the PO/line in place, and will provide the contact with deadlines for action. When auxiliary accounting contacts the customer via email, the selling auxiliary will be copied so that they are aware of the communication.

On approximately the 15th business day of the month following when the charges were received, Auxiliary Accounting will return a file with our comments/notes and new, valid PO/line to charge noted. The Selling Auxiliary can then update the bill in OMNI with the PO/line.

Some charges will remain; these will continue to be researched and acted on by Auxiliary Accounting as appropriate and should continue to be listed on the Selling Auxiliary's list of pending charges.

Step 6. Auxiliaries bill for lines that now have PO/line to charge.

The Selling Auxiliary can now enter the PO/line for bills where Auxiliary Accounting's research has successfully resolved the issue.



Step 7. Auxiliary Accounting either forces a requisition OR escalates any issues that have not been resolved within 6 weeks after their initial outreach to management level for resolution

Auxiliary Accounting will continue to research and act on pending charges with no available line. Auxiliary Accounting will primarily work with the buying department's Budget Account Manager who should be responsible for resolving the issue.

Within six weeks of Auxiliary Accounting's initial outreach on the pending charge, a decision will be made to force a requisition on the department's behalf or to escalate the issue to management. The Selling Auxiliary will be updated the next time the Selling Auxiliary returns the results of activity to the Selling Auxiliary. The decision will be based upon a number of responses including type of response received from the buying department, whether they have generally been responsive to other inquiries, and the charge type/amount.

At the end of this process, a PO/line will be available for the Selling Auxiliary to charge, and the Pending Charge is no longer submitted to Auxiliary Accounting for action.

Resources

- FSU_AUX_PO_DTL
- FSU_AUX_REQUISITIONS
- FSU_AUX_BUD_MGR_CONTACT
- FSU_AUX_BI_PRE_AP_CHECK