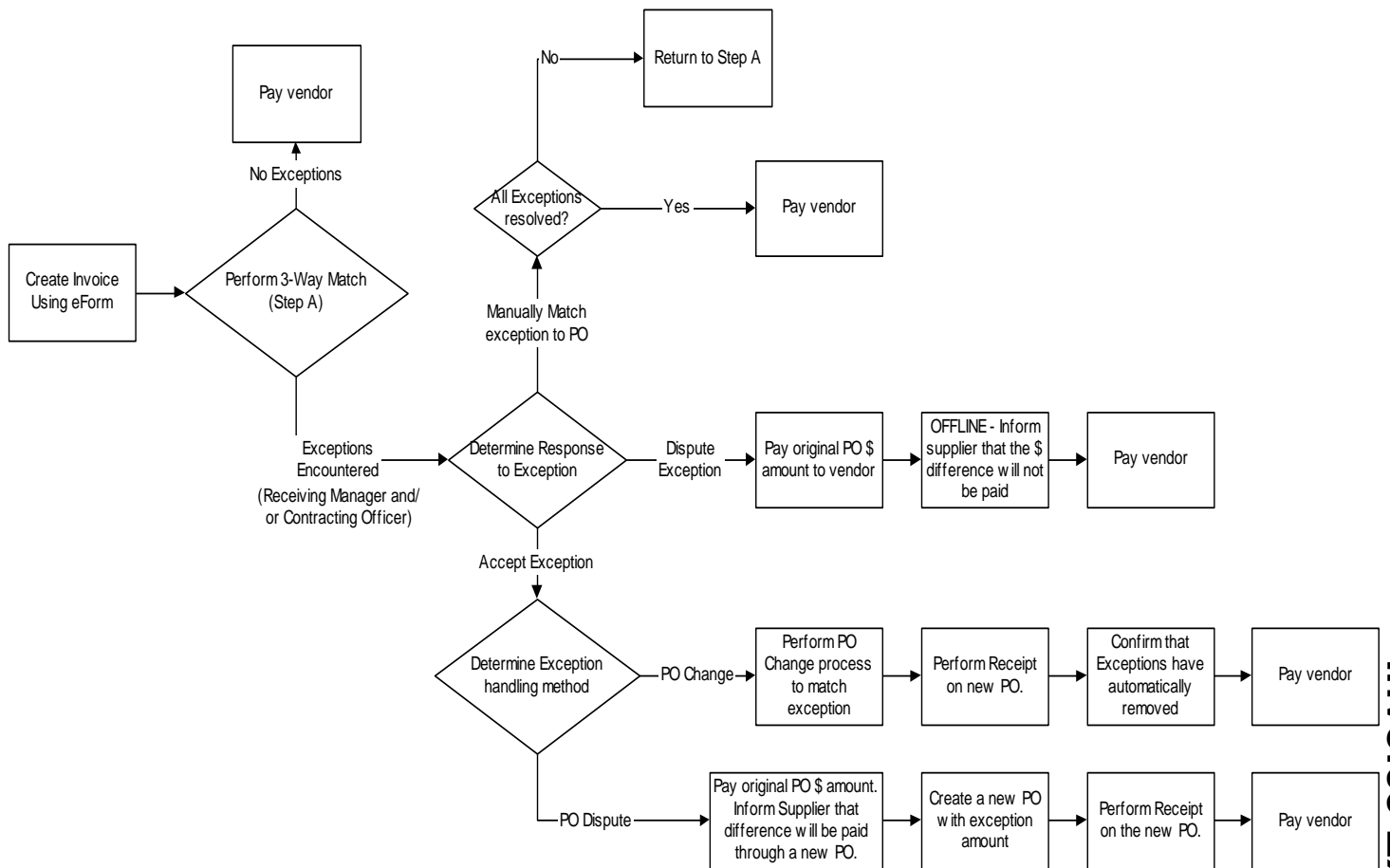


HOW TO

Handle Invoice Exceptions within PASS

Version 01 01

Purpose: Exception Handlers to can use this diagram appropriately process an invoice with exceptions within PASS.



Invoice Exceptions within PASS

HOW TO Process an Invoice within PASS

Version 01.01

1. An AP Specialist will **Create Invoice using eForm**. Invoice goes through the Reconciliation process.
2. A **3 Way Match** (between Purchase Order, Receipt and Invoice) is performed.
3. **Exceptions Occurred?**
 - a. If Yes, Go to Step 4.
 - b. If No, Go to Step 6.
4. **Determine Response to Exceptions**
 - i. Manually Match- See Exception Process A.
 - ii. Dispute Exception – See Exception Process B.
 - iii. Accept Exception- See Exception Process C.
5. **Exceptions are handled (acted upon)** – Voucher moves onto to Invoice Manager.
6. Invoice Manager **acts on** Voucher.
 - If approved, Go to Step 7.
 - If denied, Go to Step 8.
7. Voucher is processed and sent to SOAR for payment.
8. The Invoice Manager or one of the Exception Handlers will handle non-payment offline.

Exception Process A- Manually Match

1. The Exception Handler will match the invoice line item to a Purchase Order line item.

Example:

Invoice: 14 notebooks @1.25 each

PO: 14 pads @1.25 each

- In this case, the Exception Handler is matching the invoice line item although the wording may be different.

2. If all exceptions are resolved, the Voucher goes to the Invoice Manager.

Exception Process B- Dispute Exception

1. The Exception Handler will Dispute the exception, which indicates that only the original PO amount is paid.
2. The Exception Handler should have an offline conversation to inform the supplier that the difference will not be paid.
3. The Voucher goes to the Invoice Manager.

Exception Process C- Accept Exception

1. The Exception Handler will accept the Exception. There are two routes to properly record the acceptance of the exception in PASS.
 - a. **PO Change** –The Exception Handler (in this case, it will most likely be the Contracting Officer) will do a PO Change, which will have to go through the approval process again. This second version of the original PO must be received and then the exceptions should clear because the exception will no longer exist.
 - b. **Invoice Dispute** – The Exception Handler will agree to pay the original amount from the PO but will create a new PO to compensate for the exception amount. This new PO will also need to be received and re-invoiced. This method enables the supplier to be paid an initial amount without having to wait.
2. From Step a, the Voucher will go to the Invoice Manager without exceptions. From Step b, a new voucher will go to the Invoice Manager.