

This document was developed jointly by SPO and GAO to help agencies troubleshoot and resolve invoice failures. It will likely be most useful for AP Approvers and Managers, as well as Level 1 or Tech Lead Support. The techniques below should not be needed for every invoice, and are not required, but can be very helpful in cases in which the invoice rejects. The intent is to provide “tried and true” techniques to use so that end users do not need to proceed by trial and error.

Specifically, this is a DRAFT document attempting to provide a strategy to remove tax rates from line items when it is necessary to do so. We do not believe that this strategy must be implemented on every existing / new PO. We also believe that some of the rounding related problems will be reduced with the current fixes that were moved to production.

Invoice Failing due to Rounding Issue

These options are only addressing the situation when AFIS Commodity Line and AFIS Accounting Line totals exhibit a very small difference - usually one cent (.01) different

Option 1: Process Invoice using Reduced Unit Price

- ❖ Process Invoice Line item with reduced Item Unit Price on Invoice Line details
 - **Please see blue box on screen shot below** to review the invoice field that should be changed.
 - A ten cent (0.10) or 25 cent (0.25) reduction has often worked during my troubleshooting of Invoice Line item rounding errors
- ❖ Add the additional amount as MISC to provide full payment for the item to the vendor

NOTE: When paying the last Invoice for the line item, AP will have to check Final Pay to release the remaining encumbrance. This is no different than normal as AFIS always requires you to check Final Pay when AP is processing the last invoice on a line that has had partial payments and/or is not paying for the full amount of the PO line but is paying for the full quantity on the PO.

Invoice Item #/ PO Item #	Item Description false								
	PO Item Status	PO Item Amount	Previous Invoice Amount	Permit To Pay	Invoice Amount	Discount %	Original Pay Amount	Reportable	Final Pay
	Red Pin Flags (Net Unit Cost: \$25.00000)								
	3PPR - Partial Receipt	\$75.00	\$0.00	\$25.00	25.00	0.0%	\$0.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2	Receive by quantity? *: Yes ▾ Invoice Quantity *: 1 Unit Price *: 22.98 Service From Date (MM/DD/YYYY) : <input type="text"/> Service To Date (MM/DD/YYYY) : <input type="text"/>								

Invoice Failing due to Rounding Issue (continued)

Option 2: Take a Step Back to Edit PO Line Item

Scenario: Existing PO with Line Item that has Tax AND Item allows Change Orders

- ❖ AP/Invoice
 - Disapprove Invoice*
 - Reopen * / Zero out Invoice line items* / Cancel Invoice
- ❖ PO
 - Create Change order on the PO Line Item to REMOVE the Tax Rate
 - **Required if Sales Tax will be > \$999.99/Otherwise Optional**
 - Add NEW Line Item with NIGP code 963-79 “Surcharges and Taxes (To Include Fuel Surcharges and Taxes)”
 - If it is a “Release” and there is not already a line on the Master Blanket with the tax NIGP code, you will have to contact the Contract Officer and request the addition of that line.
- ❖ Receiver – **If added a Tax Line to PO**
 - Create NEW receipt to receive the proportionate tax amount on the 963-79 Surcharges and Taxes line
- ❖ AP/Invoice
 - Recreate Invoice paying for only the Item cost on the Line item
 - Pay for the Tax
 - **If added tax line:** Pay the tax amount on the 963-79 Surcharges and Taxes line
 - **If no tax line:** Pay tax using MISC
- ❖ Fixed Asset Shells
 - If the Invoiced Item creates a Fixed Asset Shell(s) you will need to also adjust that value to include the tax amount.

Scenario: Existing PO with Line Item that has Tax AND Item does NOT allow Change Orders

- ❖ AP/Invoice
 - Disapprove Invoice*
 - Reopen * / Zero out Invoice line items* / Cancel Invoice
- ❖ Receiver
 - Process Receipt Adjustment for the unpaid amount that has already been received
 - Cancel Receipt for the rest of the PO Line Item (to close that PO Line)
- ❖ PO
 - Add NEW PO Line Item for the errored Invoice line excluding the Tax Rate
 - **Required if Sales Tax will be > \$999.99 / Otherwise Optional**
 - Add NEW Line Item with NIGP code 963-79 “Surcharges and Taxes (To Include Fuel Surcharges and Taxes)” to contain the total expected tax amount.
 - If it is a “Release” and there is not already a line on the Master Blanket with the tax NIGP code, you will have to contact the Contract Officer and request the addition of that line.
- ❖ Receiver
 - Receive (again) the Base Item Quantity/Cost on the NEW PO Line Item
 - **If added tax line:** Create NEW receipt to receive the proportionate tax amount on the 963-79 Surcharges and Taxes line
- ❖ AP/Invoice
 - Pay for only the Item cost on the Line item
 - Pay for the Tax
 - **If added tax line:** Pay the tax amount on the 963-79 Surcharges and Taxes line
 - **If no tax line:** Pay tax using MISC

- ❖ Fixed Asset Shells
 - If the Invoiced Item creates a Fixed Asset Shell(s), you will need to also adjust that value to include the tax amount.

* = These Steps should go away when the Fix Pack that is in regression is deployed to PROD

Creating New PO's to exclude tax from Line Items

- ❖ PO
 - Create PO Line Items without Tax Rates
 - **Required if Sales Tax will be > \$999.99 / Otherwise Optional**
 - Add NEW Line Item with NIGP code 963-79 "Surcharges and Taxes (To Include Fuel Surcharge and Taxes)" to contain the total expected tax amount.
 - If it is a "Release" and there is not already a line on the Master Blanket with the tax NIGP code, you will have to contact the Contract Officer and request the addition of that line.
- ❖ Receiver
 - Receive the Base Item Quantity/Cost
 - **If added tax line:** Receive the proportionate tax amount on the 963-79 Surcharges and Taxes line
- ❖ Invoice
 - Pay for only the Item cost on the Invoice Line item(s)
 - Pay for the Tax
 - **If added tax line:** Pay the tax amount on the 963-79 Surcharges and Taxes line
 - **If no tax line:** Pay tax using MISC
- ❖ Fixed Asset Shells
 - If the Invoiced Item creates a Fixed Asset Shell(s), you will need to also adjust that value to include the tax amount.

If your agency is going to incur late fees or interest due to non-payment because of an invoice rounding issue, GAO recommends that you pay the invoice directly out of AFIS to avoid these additional charges. If it is necessary for your agency to use this method, you will also need to ensure that a cancellation is created in ProcureAZ for the amount that you are paying directly out of AFIS. If that is not completed, those funds will remain encumbered in AFIS/will not be available to your agency.