AP Adjustment Form Training

ASAP Group
March 2014

Agenda

- AP Adjustments Overview
- Preparing an AP Adjustment Form
- Approving an AP Adjustment Form
- Audit Reporting

Harvard Assets Project - Project Overview

- **What is the Project?**
  - The Harvard Assets project is a business process change using the Oracle Assets module.
- **Why this Project?**
  - This project will allow us maintain an accurate audit trail in tracking assets.
- **Why this Project Now?**
  - This will allow us to address the increasingly complex needs of the University in a streamlined way.

What is an Asset?

Per Harvard University policy the following is the criteria for when an item is considered an asset (can be capitalized):

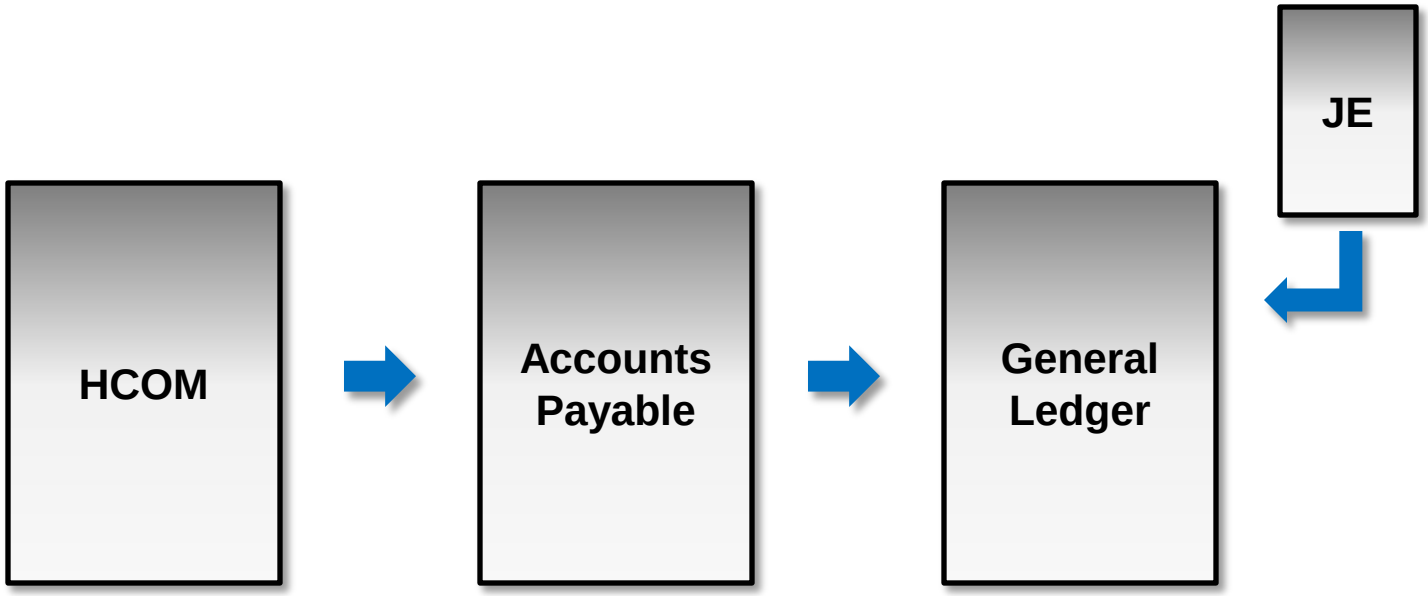
- Must be acquired for use in operations, and not for investment or sale.
- Must have a useful life of more than one year.
- The cost or unit value must meet the following materiality thresholds:

Category	Threshold
Land	N/A - All land is capitalized
Land improvements	$100,000 (in total project costs)
Buildings	$100,000 (in total project costs)
Building improvements	$100,000 (in total project costs)
Leasehold improvements	$100,000 (in total project costs)
Moveable furnishings and equipment (MFE)	$5,000
Other equipment, vehicles, software, etc.	$5,000

What is an Asset?

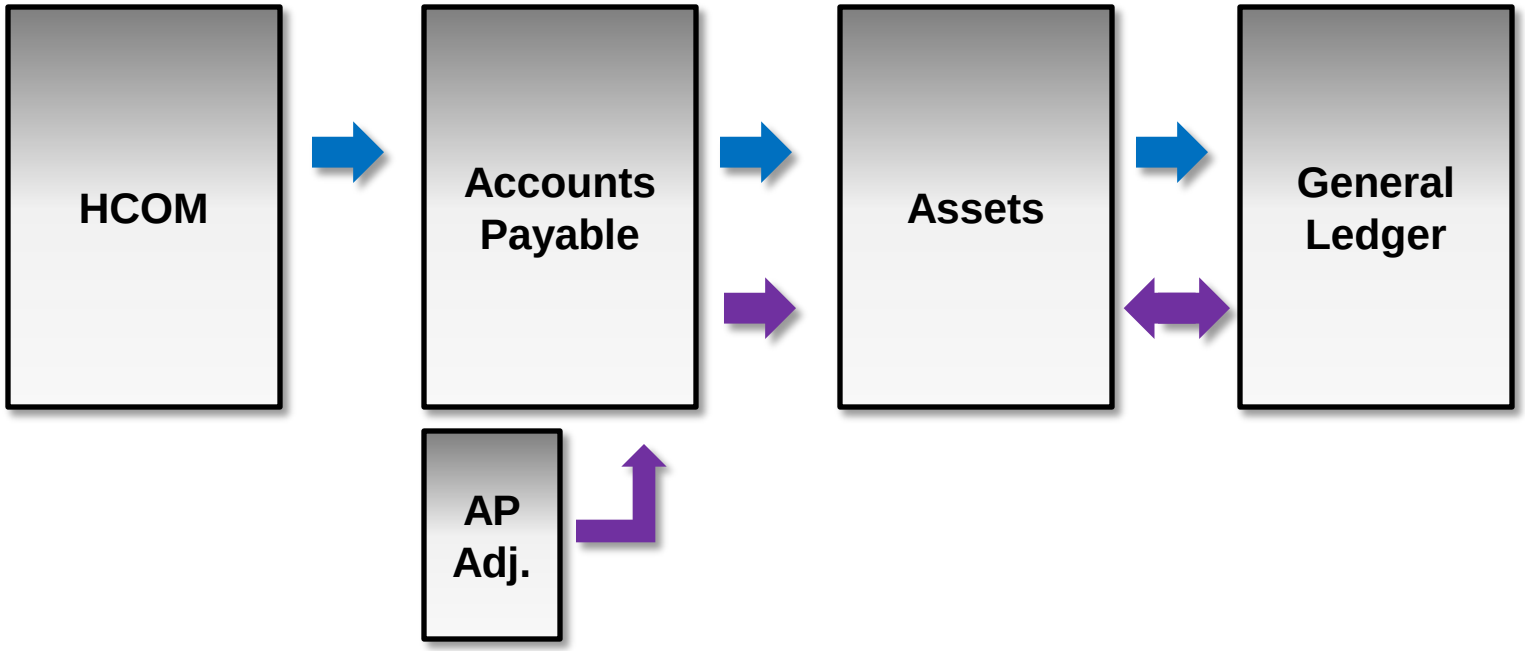
- **Equipment purchases may include items such as machinery, equipment, furniture, and fixtures.**
- **Additionally, costs that are required to ready the asset for its intended use are also included in the final cost of the asset. Such costs include:**
  - The original purchase price (for individual items >= $5,000)
  - Freight, insurance, handling, storage and other costs specifically related to acquiring the asset
  - Costs of installation, including site preparation, assembly, and installation
  - Costs of trial runs and other tests required before the asset can be fully operational
  - Costs of reconditioning an asset purchased in a used state
- **When coding the purchase of capitalized equipment, the 6800 series of object codes should be used**

General Ledger Changes – Current State



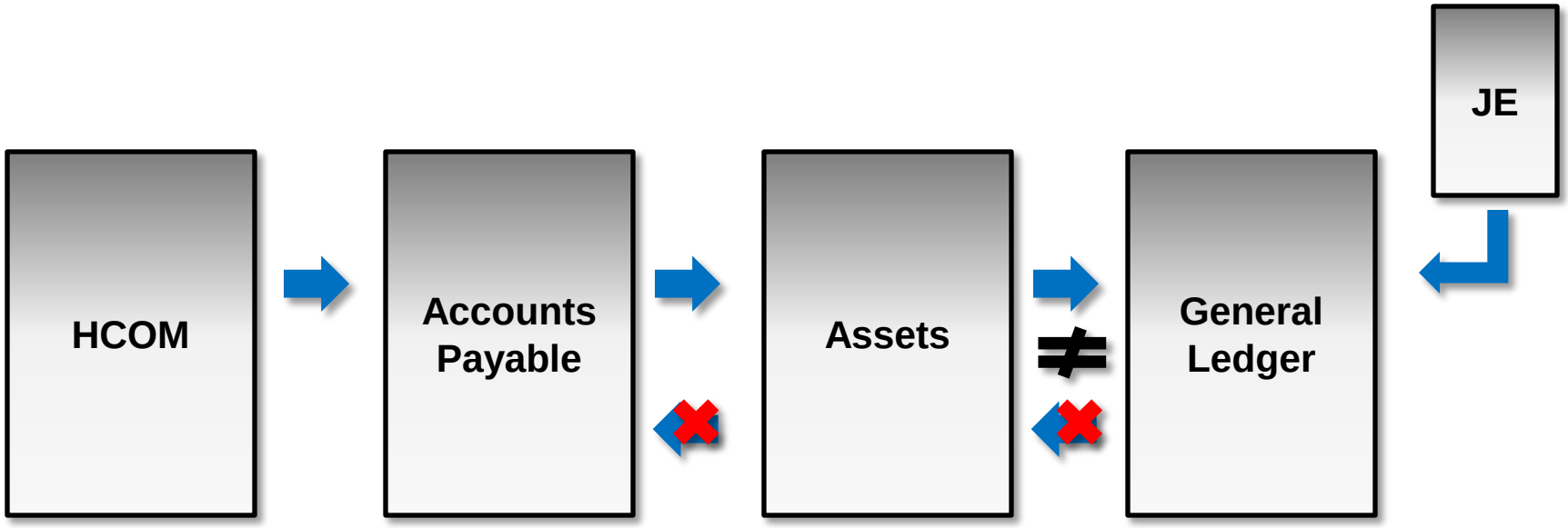
- **Today, coding adjustments to an asset are made directly to the GL via journal entry**

Oracle Assets – Fixed Asset



- By implementing Oracle Assets the University will be creating a sub-ledger where it will be able to track its assets
- This allows for general ledger detail to be traced back for a complete audit trail

General Ledger Changes – Impact on Assets Project



- When adjustments are made directly into the GL via journals to correct for mis-coded entries or other adjustments, this audit trail is broken
- Additionally the Assets Module and the GL will not properly reconcile

How do you know when a coding adjustment is needed?

Coding adjustments are required when any segment of the 33 digit GL string needs be changed:

Tub – need to change ownership of an asset from one TUB to another

Org – need to change ownership of an asset form one Org to another

Object Code:

Asset to Asset – should change from one asset object code to another (e.g. 6803 to 6804)

Asset to Expense – change from asset object to an expense object because the item does not meet criteria for an asset (e.g. 68XX to 67XX)

Expense to Asset – change an from expense object to and asset object code (e.g. 67XX to 68XX)

Fund – need to change the funding of an asset (i.e. changing from one sponsored fund to another or changing from a startup fund to a specific sponsored fund)

Activity/Sub-Activity – need to change the Activity/Sub-Activity attributed to an asset

Root – need to change the Root attributed to an asset

AP Adjustment Form - Required Information

You must have the original invoice number. You can search for an invoice and use the Oracle wildcard symbol (%) if you only have partial invoice information.

Considerations:

- If the vendor is inactive, you will receive an error message and will need to reinstate the vendor using the Vendor Request Form.

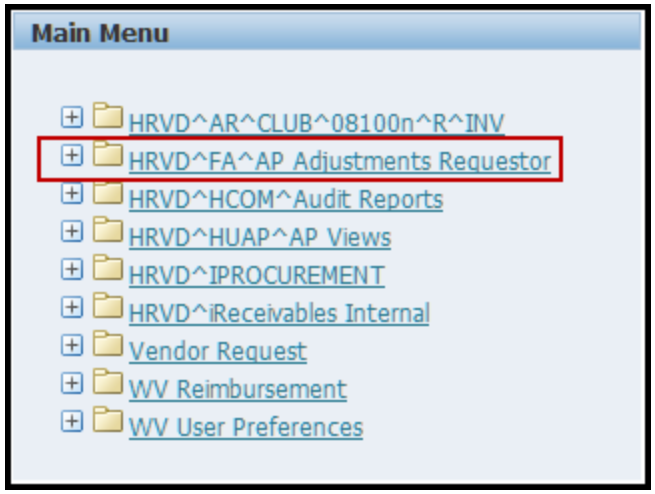
- If the vendor site is inactive, you will receive an error message and will need to reinstate the site using the Vendor Request Form.

- If the account coding is no longer active, you will receive an error message and you must submit a request to Applications Security to have the account reinstated in the Chart Security Maintenance Application (CSMA).

Accessing the AP Adjustment Form

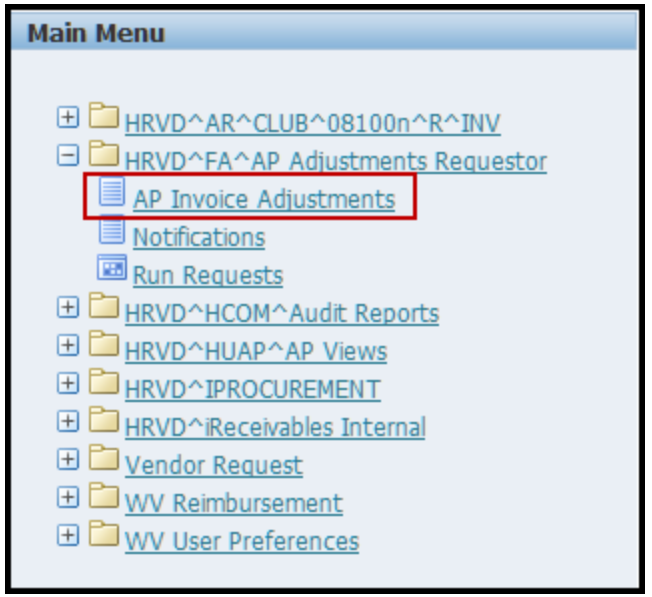
- There are two roles in the AP Adjustment Form - Requestor and Approver:
  - A Requestor has the ability to create and edit adjustments and approve other's adjustments
  - An Approver can only approve adjustments
- To log in, access Oracle Financials via this link: http://fss.finance.harvard.edu/applications
- Select the **Personal Homepage** link
- Log in with your **HUID and PIN**
- The AP Adjustment Form Responsibility is called:
  - **HRVD^FA^AP Adjustments Requestor**
  - **HRVD^FA^AP Adjustments Approver**

Requestor Role

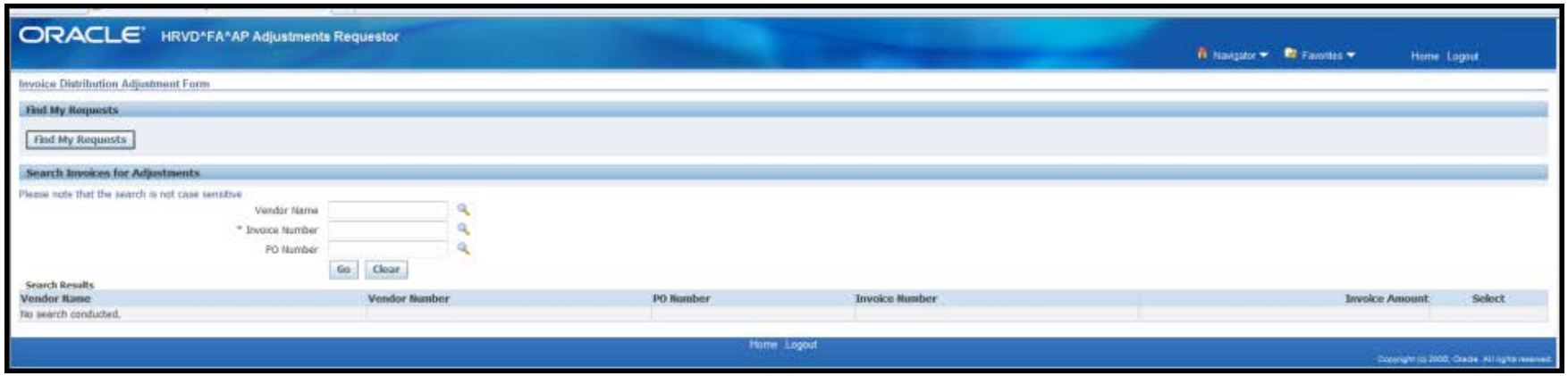


Select the Responsibility

Select AP Invoice Adjustments



AP Adjustment Form - Requestor role



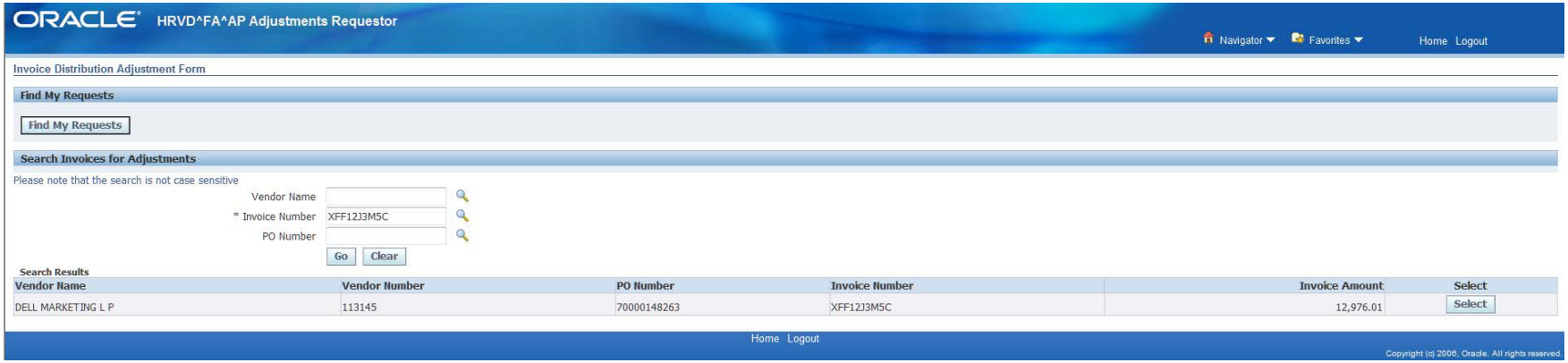
- Invoice number is the required field

- The Invoice Number search includes <u>all invoice numbers</u>; not just those related to assets
  - This tool should only be used for making adjustments for assets-related invoice lines.

- You can narrow your search further by searching for Vendor Name and/or PO Number; you can also use wildcards for these searches

- You can NOT simply search for a vendor or a PO number; you will receive an error.

Retrieving Invoice Information

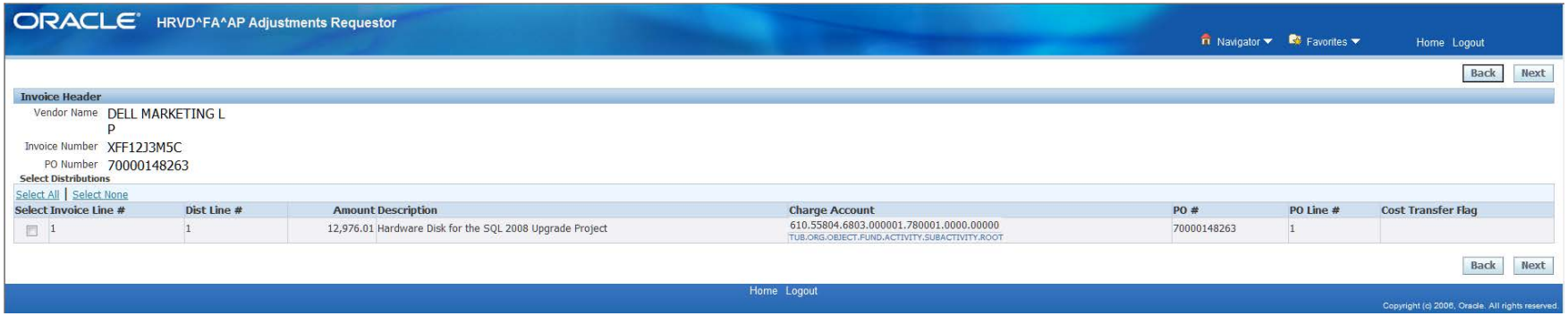


- Based on your search criteria, one or more invoices will appear.

- Search results include:
  - Vendor Name
  - Vendor Site Number
  - PO Number
  - Invoice Number, dollar amount

- If this information is correct, click the **Select** button

Selecting the Line to Adjust



- This screen identifies Vendor Name, Invoice Number and PO Number

- The Column Headings include
  - Select checkbox
  - Invoice Line Number from the invoice
  - The Distribution Line Number from the invoice
  - The Invoice Distribution Line Dollar Amount
  - Description from the PO
  - The 33-Digit Coding
  - PO Number
  - Cost Transfer Flag: If adjusting for the first time, this field will be blank; after the adjustment process is applied, if the string includes a sponsored fund or activity and needed adjustment in compliance with the Cost Transfer policy, this field will contain a flag value of “Y”

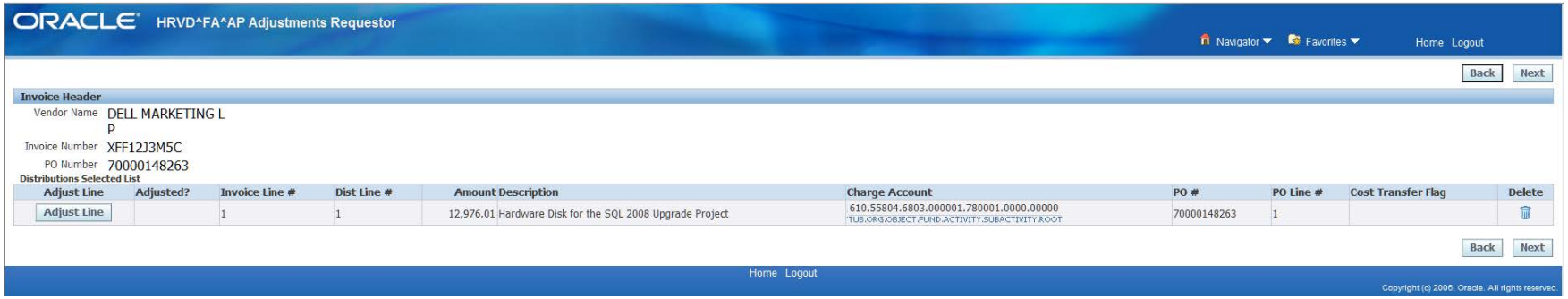
- If this information is correct, click the **Select** Checkbox and then click **Next**

Potential Error Messages

On this screen, you will also see potential error messages in the top left in red. These include:

Message	Mitigation
Account coding no longer active	Close form and submit request to Authorized Requestor to re-activate account coding in CSMA
Supplier Inactive	Close form and submit Vendor Request to re-activate vendor
Supplier Site Inactive	Close form and submit Vendor Request to re-activate vendor site

Confirming and Starting the Adjustment Process

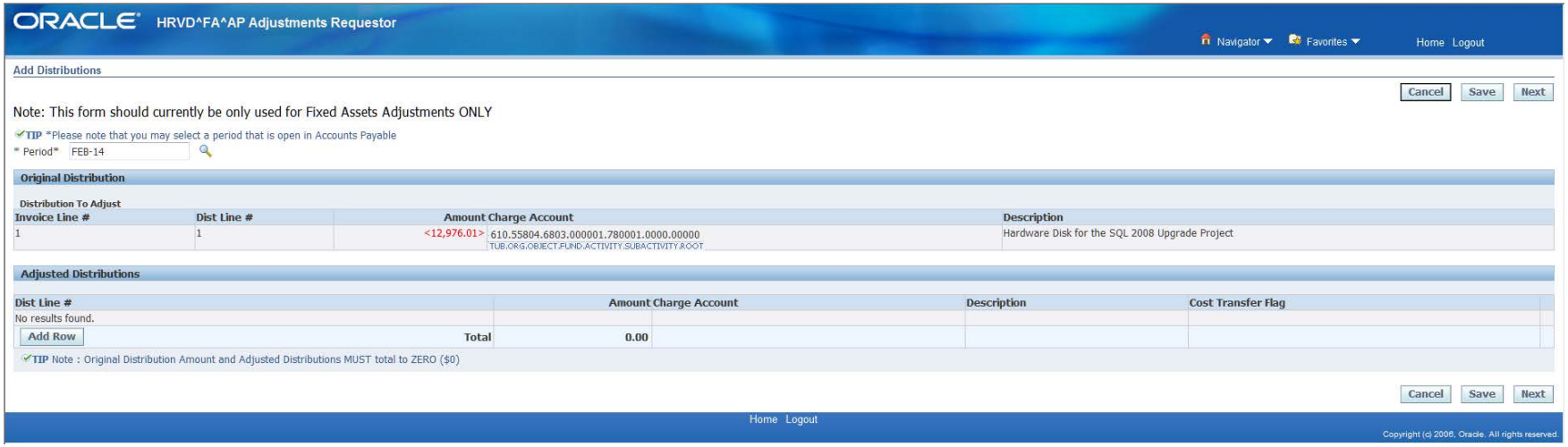


- This screen again identifies Vendor Name, Invoice Number and PO Number

- The Column Headings include
  - Adjust Line button
  - Adjusted? If adjusting for the first time, this field will be blank; after the adjustment process is applied, the field will contain the word “Adjusted”
  - The Invoice Line Number
  - The Invoice Distribution Line Number and amount
  - Description from the PO
  - The 33-Digit Coding
  - The PO Number
  - Cost Transfer Flag: If adjusting for the first time, this field will be blank; after the adjustment process is applied, if the string includes a sponsored fund or activity and needed adjustment in compliance with the Cost Transfer policy, this field will contain a flag value of “Y”

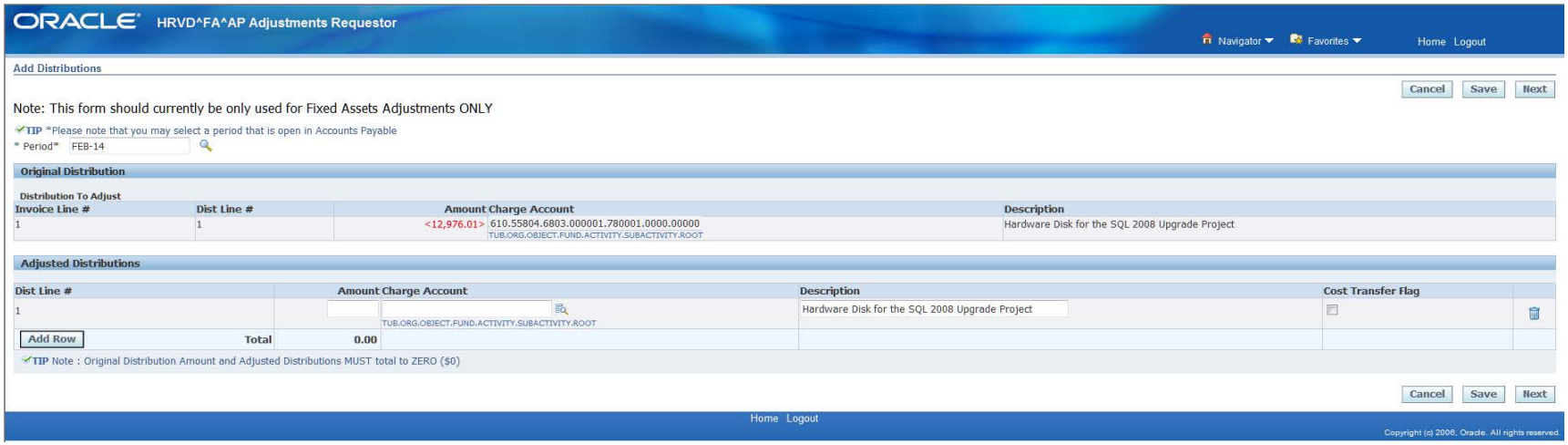
- If this information is correct, click the **Adjust Line** button

Add Distributions Screen, Part 1



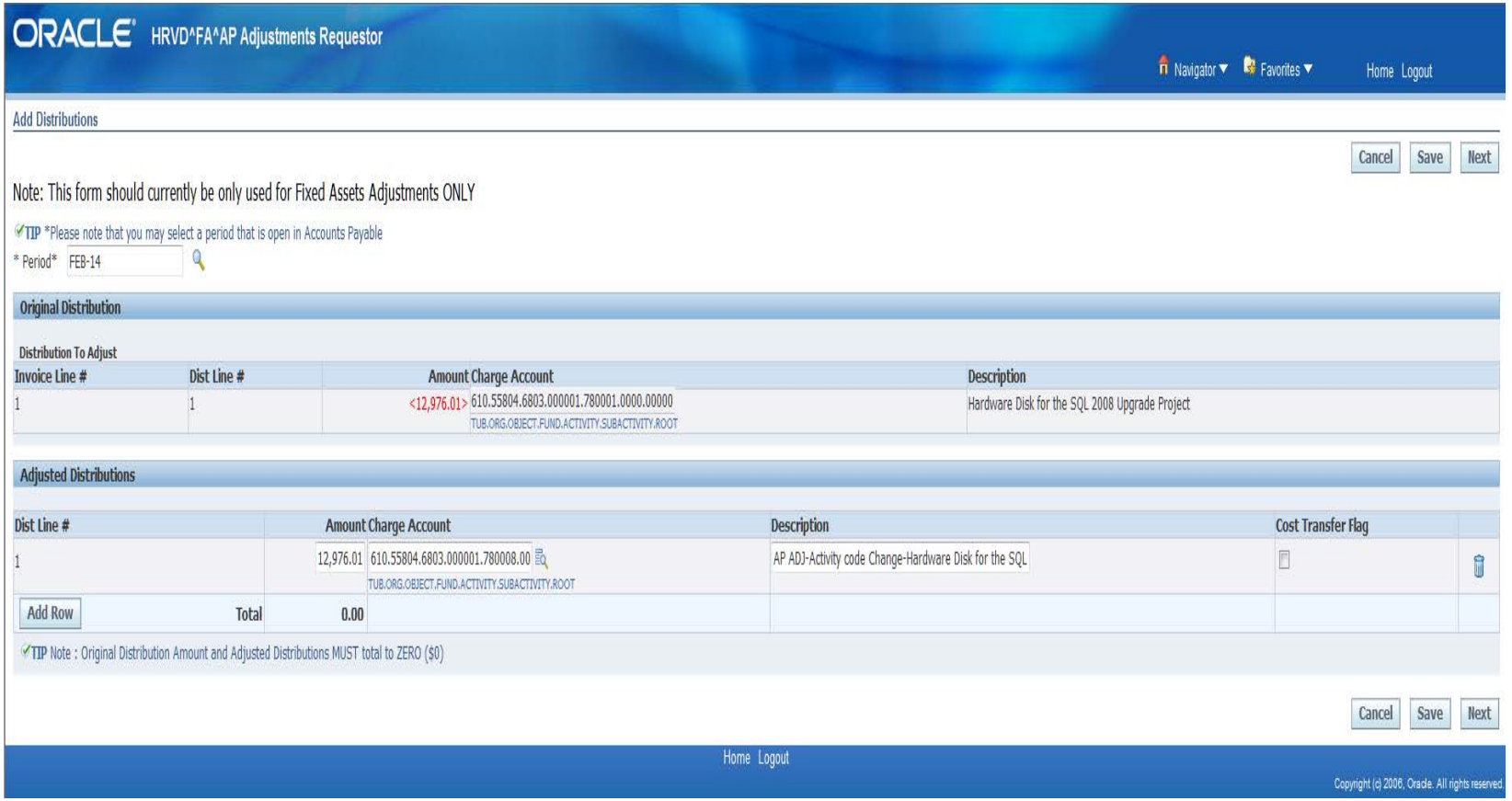
- This screen contains a note indicating that you should be using this form for Fixed Assets Adjustments ONLY
- A Tip is included that indicates you can only select a period that is open in Accounts Payable; this will default to the most current period
- The original distribution appears, with the amount reversed in red

Add Distributions Screen, Part 2



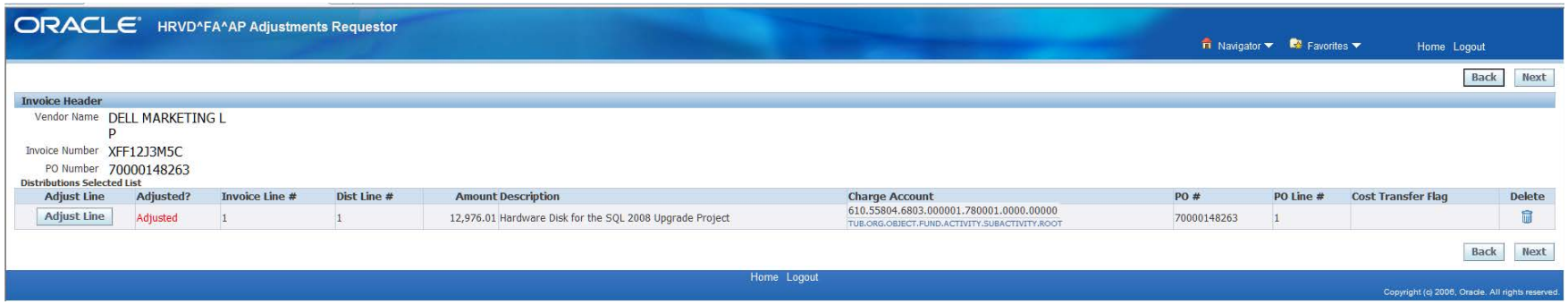
- To Add the New Adjusted Distribution
  - Click **Add Row** Button
  - Add dollar amount
  - Add the new Charge Account
  - Add to or change the Description from the original invoice
  - If using a sponsored fund or activity and you are required to apply the Cost Transfer Policy, click the Cost Transfer Flag checkbox

Completed Add Distributions Screen



- When completed, click the **Next** button
- You still have the option of deleting the line if needed

Acknowledgement of Adjustment

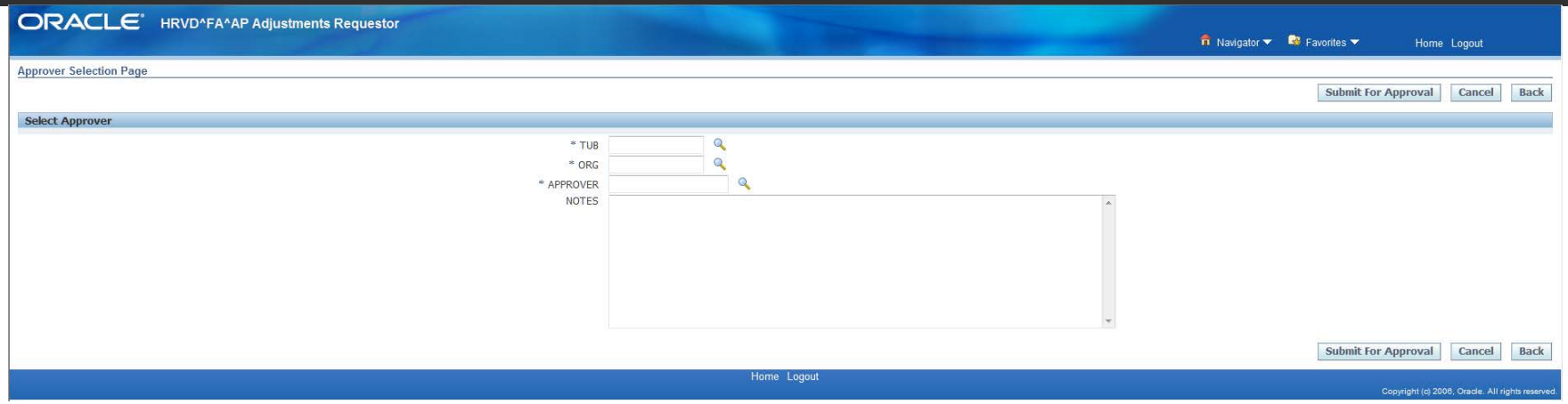


- On this screen, you will see Adjusted in the Adjusted? Column
  - This does NOT mean that the line has been adjusted
  - The line will not be adjusted until it has been approved and gone through Accounts Payable
  - If you've made an error and need to delete the line, you can still do so
  - To see a summary of what you are requesting to change, click the **Next** button

Summary of Changes

- On this screen, you will see the Original Line and the proposed adjustment
- If everything is correct and the total equals $0.00, click on the **Select Approver** button
- If not, click the **Back** button and make your changes

Approver Selection Page



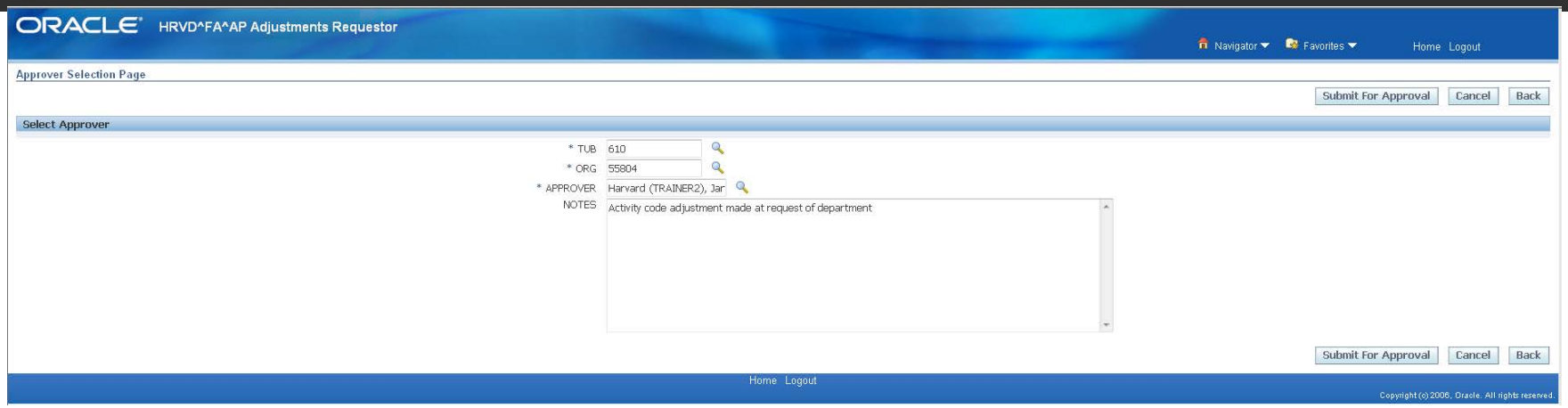
On this screen, the following fields are required:

- TUB
- ORG
- Approver

- You can add an optional note to the Approver. The note will not appear on the Detail Listing Report

- The list of Approvers are derived from HCOM

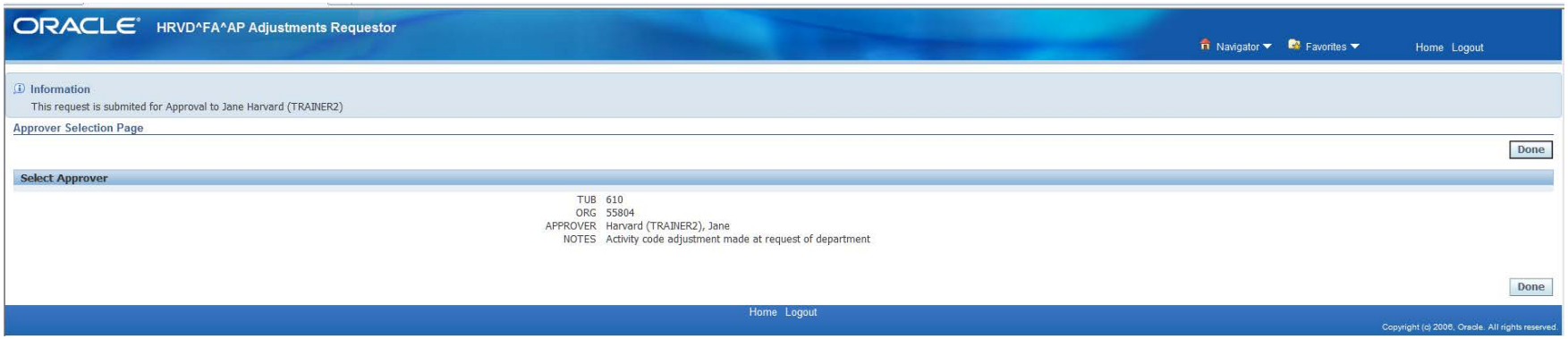
Completed Approver Selection Page



Considerations:

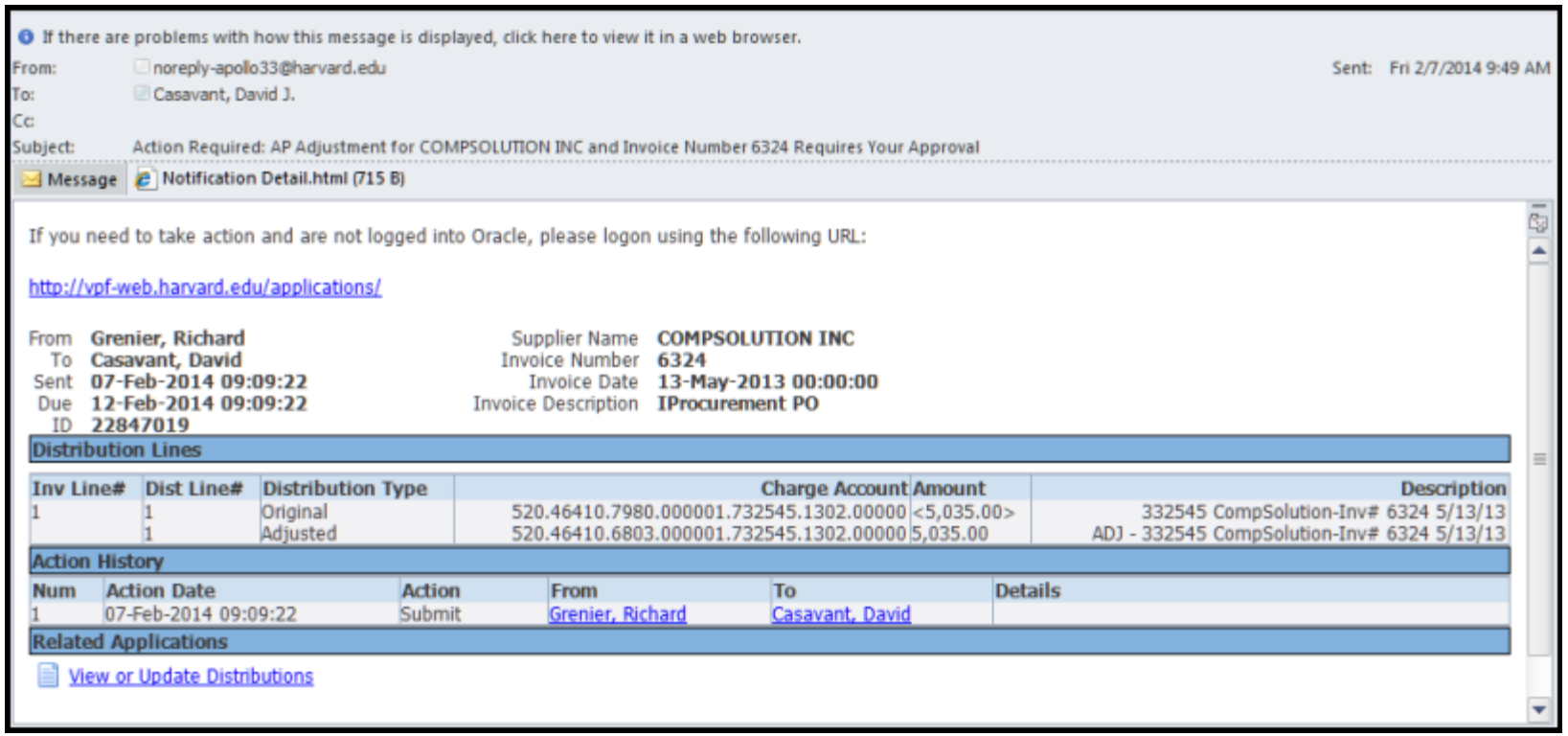
- You must select the Approver each time you generate an AP Adjustment
- If you select the wrong approver and submit, you must email the selected Approver and ask them to Transfer the request to the correct Approver.
- You must select an Approver that has the responsibility to approve an AP Adjustment.

Completed Approver Selection Page



- On this page, you will receive a confirmation that the request has been submitted to your Approver
    - The Approver will receive an email indicating that there is an AP Adjustment awaiting their approval
- After receiving the Confirmation, click the Done button to return to the AP Adjustment Form Main screen.

Sample Email to Approver



If there are problems with how this message is displayed, click here to view it in a web browser.

From: noreply-apollo33@harvard.edu
Sent: Fri 2/7/2014 9:49 AM
To: Casavant, David J.
Cc:
Subject: Action Required: AP Adjustment for COMPSOLUTION INC and Invoice Number 6324 Requires Your Approval

Message | Notification Detail.html (715 B)

If you need to take action and are not logged into Oracle, please logon using the following URL:

http://vpf-web.harvard.edu/applications/

From **Grenier, Richard**
To **Casavant, David**
Sent **07-Feb-2014 09:09:22**
Due **12-Feb-2014 09:09:22**
ID **22847019**

Supplier Name **COMPSOLUTION INC**
Invoice Number **6324**
Invoice Date **13-May-2013 00:00:00**
Invoice Description **IProcurement PO**

Distribution Lines

Inv Line#	Dist Line#	Distribution Type	Charge Account	Amount	Description
1	1	Original	520.46410.7980.000001.732545.1302.00000	<5,035.00>	332545 CompSolution-Inv# 6324 5/13/13
	1	Adjusted	520.46410.6803.000001.732545.1302.00000	5,035.00	ADJ - 332545 CompSolution-Inv# 6324 5/13/13

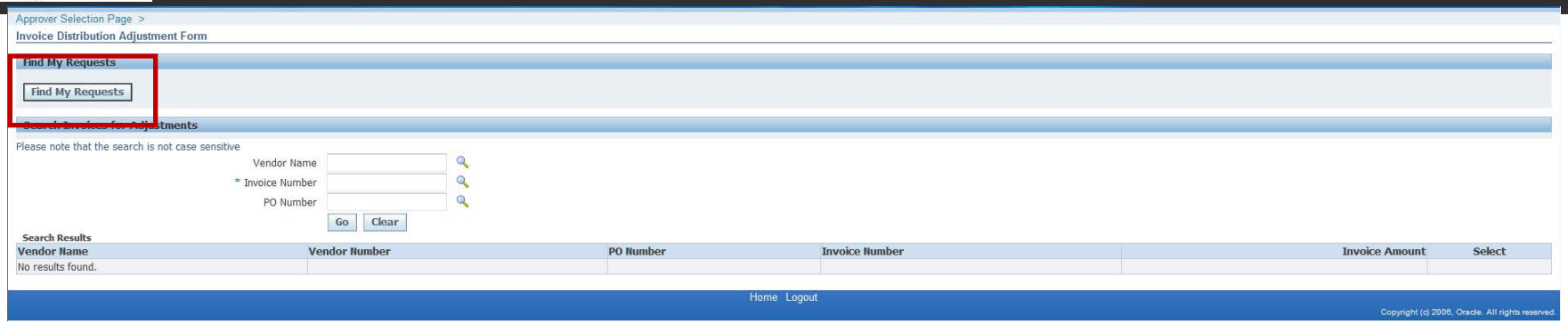
Action History

Num	Action Date	Action	From	To	Details
1	07-Feb-2014 09:09:22	Submit	Grenier, Richard	Casavant, David	

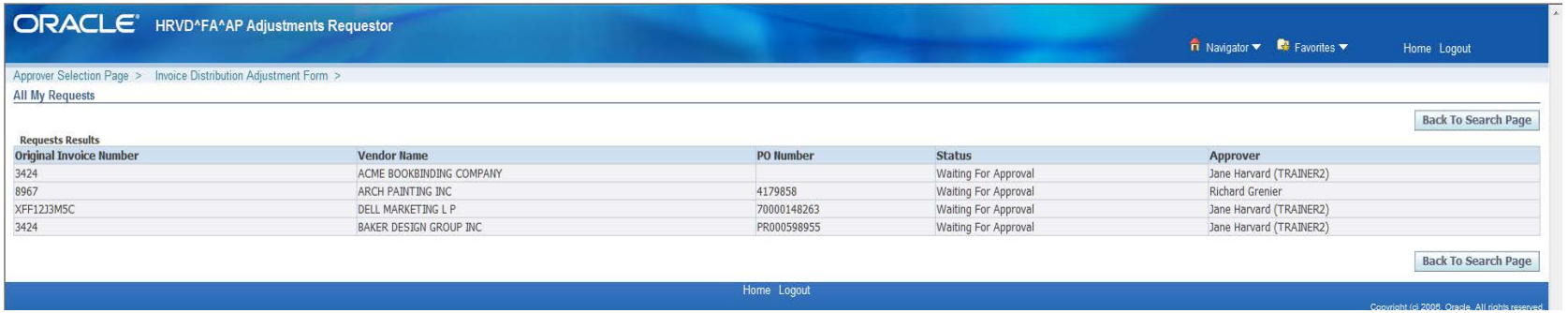
Related Applications

View or Update Distributions

Viewing Request Status



- To view your submitted requests select the Find My Requests button at the top of the screen
- The status of each request will appear on the All My Requests screen



Additional Information

- If you need to adjust multiple lines on the same invoice, select the lines and ensure that the adjusted amounts equal the total amounts selected.
- You can use split coding for a single line adjustment, or adjust only one line of an already split coded distribution.
- All invoices are included in the Invoice Number Search field. Requestors should only adjust lines that belong to their Tub. If you are sharing an asset with another tub, make a request (via email, outside of the AP Adjustment Form) to the other tub to adjust their distribution line.
- You can make an adjustment once to the original invoice distribution. After the original invoice is adjusted, the words “ADJ” will be added to the adjusted invoice number to identify it from the original. If you made a mistake or need to make additional changes, you can adjust the adjusted line. **After that, no further adjustments can be made to a re-adjusted invoice. Contact Central Financial Accounting and Reporting for assistance.**
- You must carefully review the summary page to ensure that the total of the request is equal to $0.

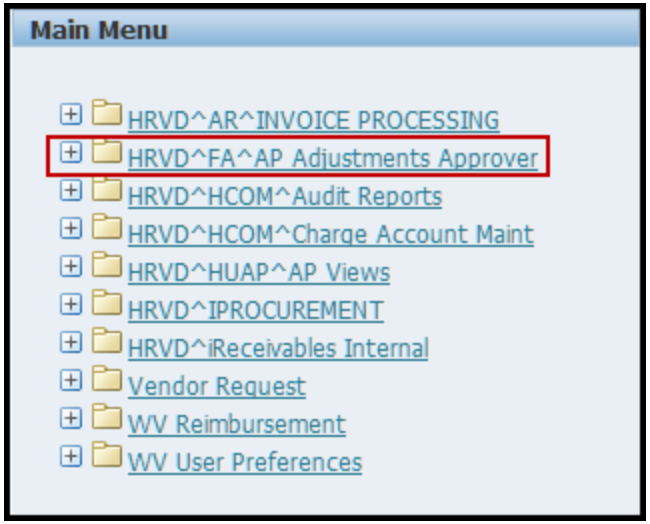
The Approver Role

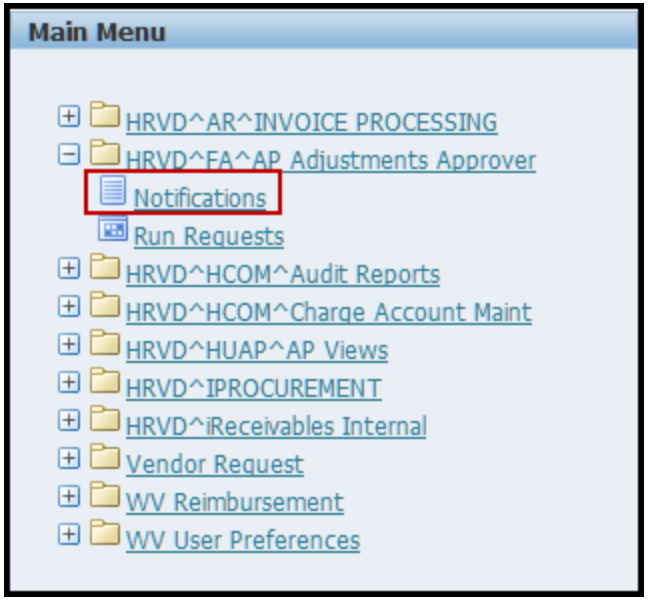
The AP Adjustment Approver can:

- View the details of AP Adjustments awaiting their approval
- Approve, reject, request more information, or transfer the request to another Approver

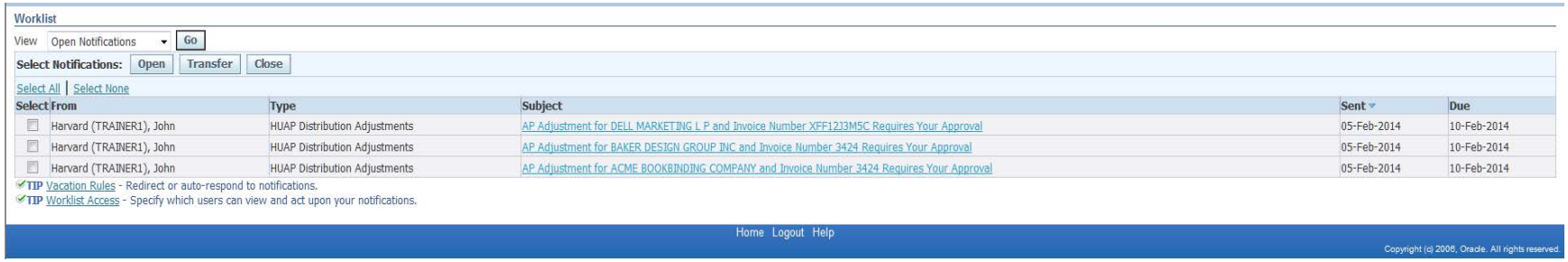
AP Adjustments Approver Responsibility

- When a Requestor submits the form, the Approver will receive an email indicating that there is an Adjustment Request
- Approvers should log into the Oracle and select the **AP Adjustments Approver Responsibility**, then **Notifications** to view the requests





Viewing the Worklist



- To view worklist:
  - From the Oracle Financials menu, click AP Adjuster Approver -> Notifications
- Select the request by clicking the link

Approval Screen

- Approver can: Approve, Reject, Request Information, or Transfer

Approve Workflow

Review the request to check for the following:

- request is related to an asset based transaction
- account coding is correct
- description is accurate
- if the Cost Transfer flag has been checked make sure appropriate cost transfer paperwork has been filled out and signed off on prior to approving the adjustment
- read Notes from Requestor, if applicable

Clicking Approve:

– Removes the request from your Worklist

– Automatically initiates an email to the Requestor indicating it has been approved

– Prompts the change to be processed by AP overnight

– Generates new invoice number overnight with ADJ appended to it

Example of Email Notification to Requestor

If there are problems with how this message is displayed, click here to view it in a web browser.

From: noreply-apollo33@harvard.edu
To: Grenier, Richard
Cc:
Subject: PIE AP Adjustment for COMPSOLUTION INC and Invoice Number 6324 has been APPROVED by David Casavant
Sent: Fri 2/7/2014 9:52

Message: g_Notification Detail.html (716 B)

To Grenier, Richard
Sent 07-Feb-2014 09:50:38
ID 22847027

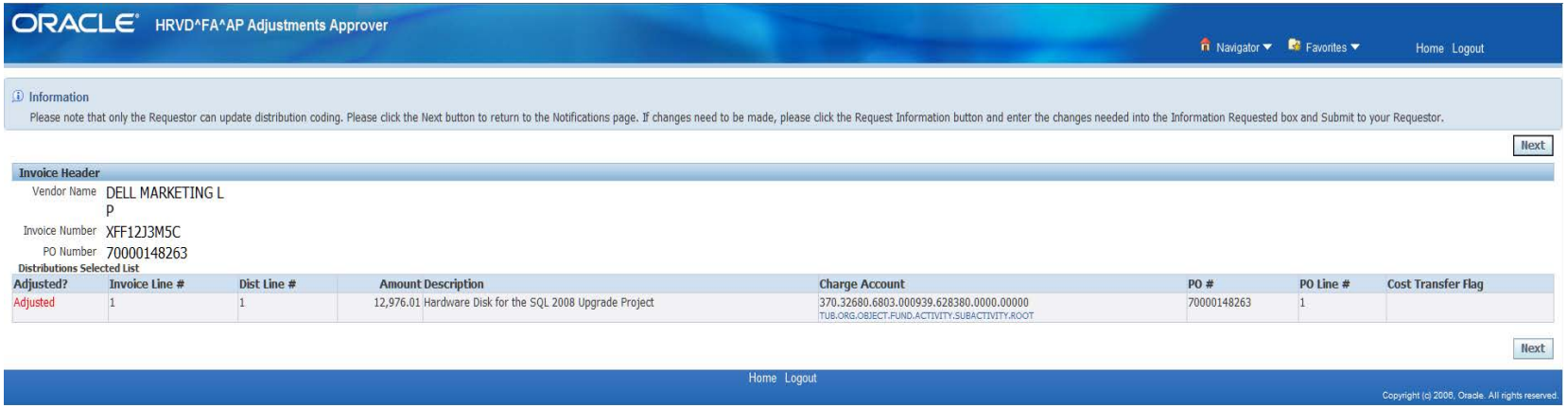
Supplier Name COMPSOLUTION INC
Invoice Number 6324
Preparer Display Name Richard Grenier
Approver Display Name David Casavant

Distribution Lines

Inv Line#	Dist Line#	Distribution Type	Charge Account Amount	Description
1	1	Original	520.46410.7980.000001.732545.1302.00000 <5,635.00>	332545 CompSolution-Inv# 6324 5/13/13
	1	Adjusted	520.46410.6803.000001.732545.1302.00000 5,635.00	ADJ - 332545 CompSolution-Inv# 6324 5/13/13

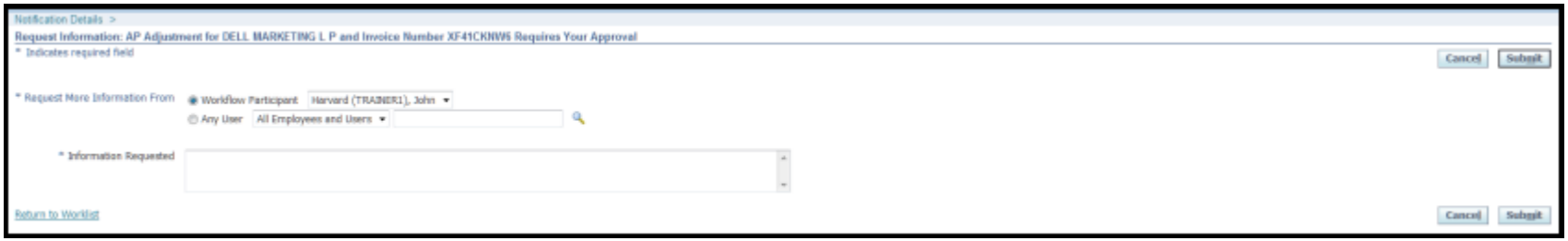
Request Information Workflow

- It is not possible for an Approver to edit a request; if changes are needed, the Requestor should be notified using the Request Information button



Request Information Workflow

- To send the message write the message in the Notes field and click on the Request More information button



- Recipient defaults to requestor
- Requestor will receive an email
- The Requestor will be able to access the AP Adjuster responsibility

Request More Information Email to Requestor

From: noreply-apollo33@harvard.edu [mailto:noreply-apollo33@harvard.edu]
Sent: Tuesday, February 11, 2014 11:43 AM
To: Grenier, Richard
Subject: More Information Request: AP Adjustment for AUSTIN ARCHITECTS LLC and Invoice Number 2413 Requires Your Approval

If you need to take action and are not logged into Oracle, please logon using the following URL:

http://vpf-web.harvard.edu/applications/

From: Casavant, David

Notification Detail:

From	**Casavant, David**	Supplier Name	**AUSTIN ARCHITECTS LLC**
To	**Grenier, Richard**	Invoice Number	**2413**
Sent	**11-Feb-2014 11:37:58**	Invoice Date	**01-Dec-2012 00:00:00**
Due	**16-Feb-2014 11:37:58**	Invoice Description	**IProcurement PO**
ID	**22849259**		

Distribution Lines

Inv Line#	Dist Line#	Distribution Type	Charge Account Amount	Description
1	1	Original	265.22410.1420.000000.005093.0000.02571 <50,500.60>	12/1/12~2413~Professional services
	1	Adjusted	265.22410.6640.000001.550006.0000.00000 50,500.60	AP ADJ - 12/1/12~2413~Professional services

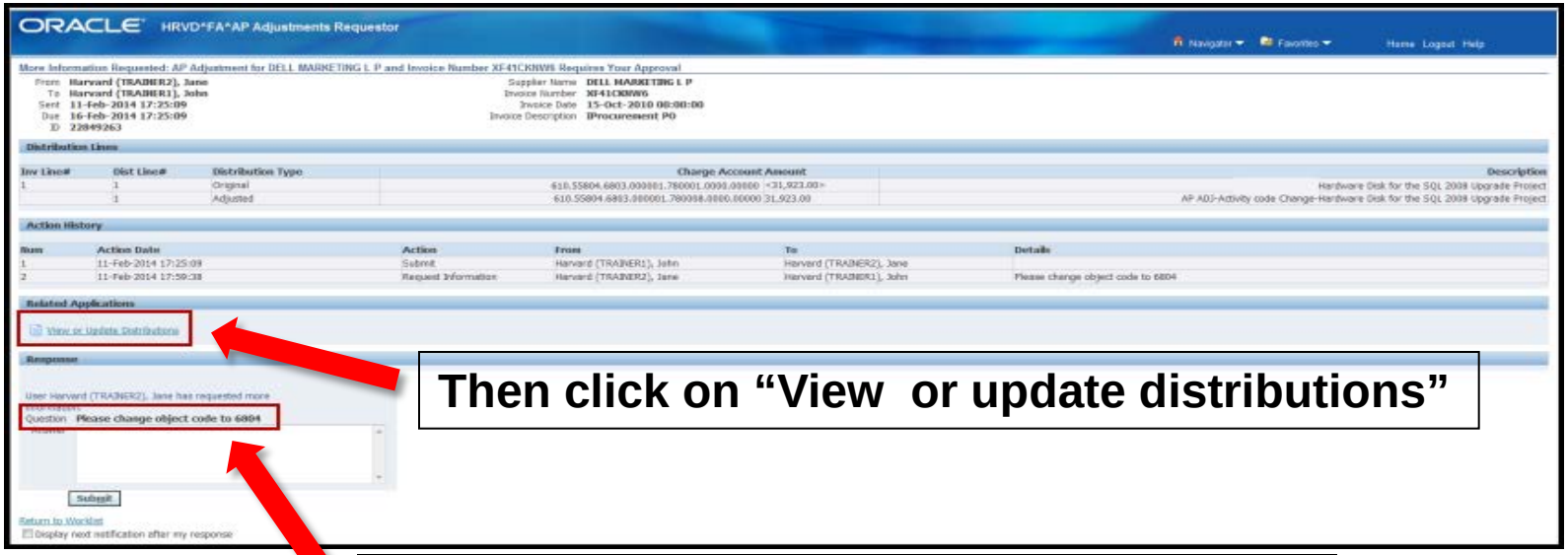
Action History

Num	Action Date	Action	From	To	Details
1	11-Feb-2014 11:37:58	Submit	Grenier, Richard	Casavant, David	
2	11-Feb-2014 11:41:16	Request Information	Casavant, David	Grenier, Richard	Please change coding to 6803

Related Applications

View or Update Distributions

Requestor Notifications Screen

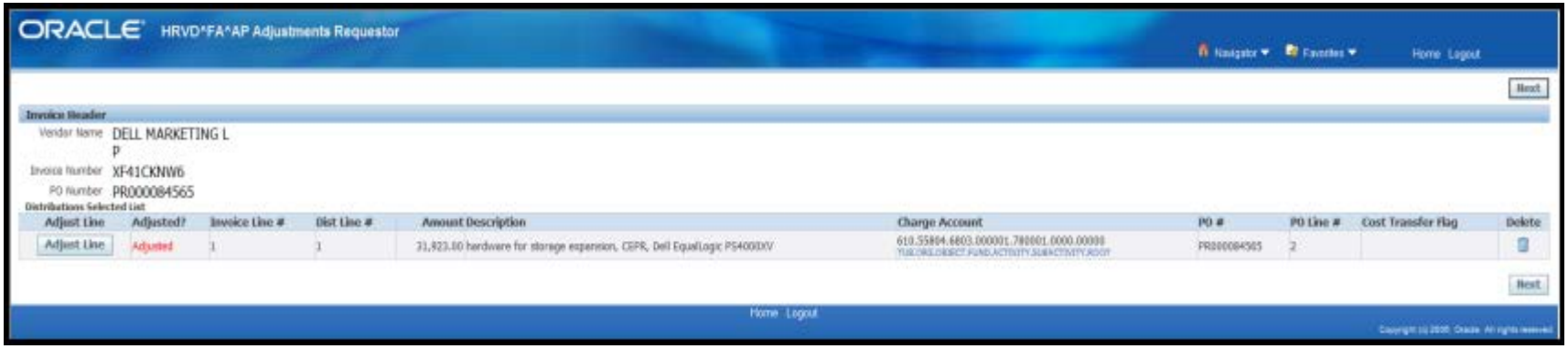


Then click on “View or update distributions”

First read comments from your approver

Editing the Distribution

- To edit the line, the Requestor:
  - Clicks the **Adjust Line** button
  - Edit the distribution appropriately and resubmits to Approver
- Approver will receive an email

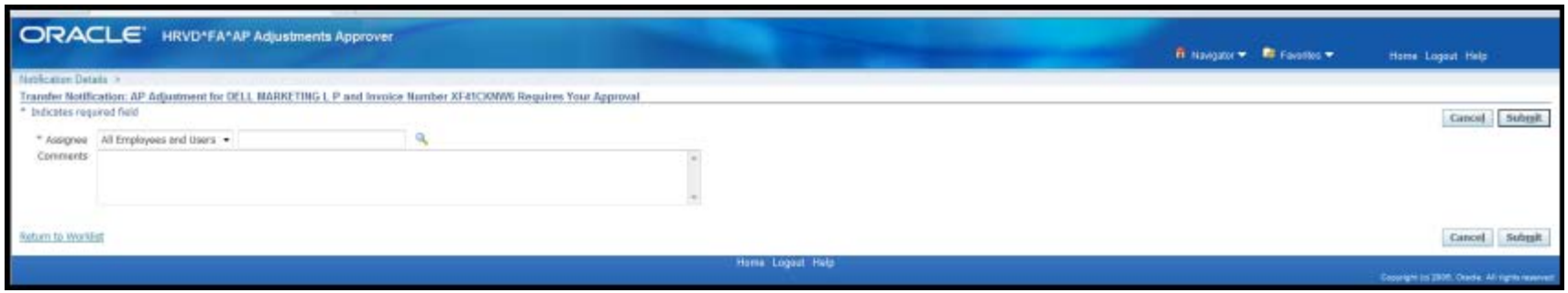


Reject Workflow

- To Reject the request,
  - Type a reason for the rejection in the Response section
- Add reason for rejection in the Note field **(Important: Add Note *before* clicking Reject)
  - Click **Reject** button
- Request will be removed from the Worklist
- Request status will change to Rejected
- Requestor will receive email indicating that the request was rejected
- Requestor will need to start over to correct the mistake and re-submit

Transfer Workflow

- Click **Transfer** button to send the request to another Approver
- Search for approver
- Optional: add a note
- Click **Submit**
- Request will be forwarded to the next approver and removed from the Worklist
- Approver will receive email indicating that a request is waiting for their approval



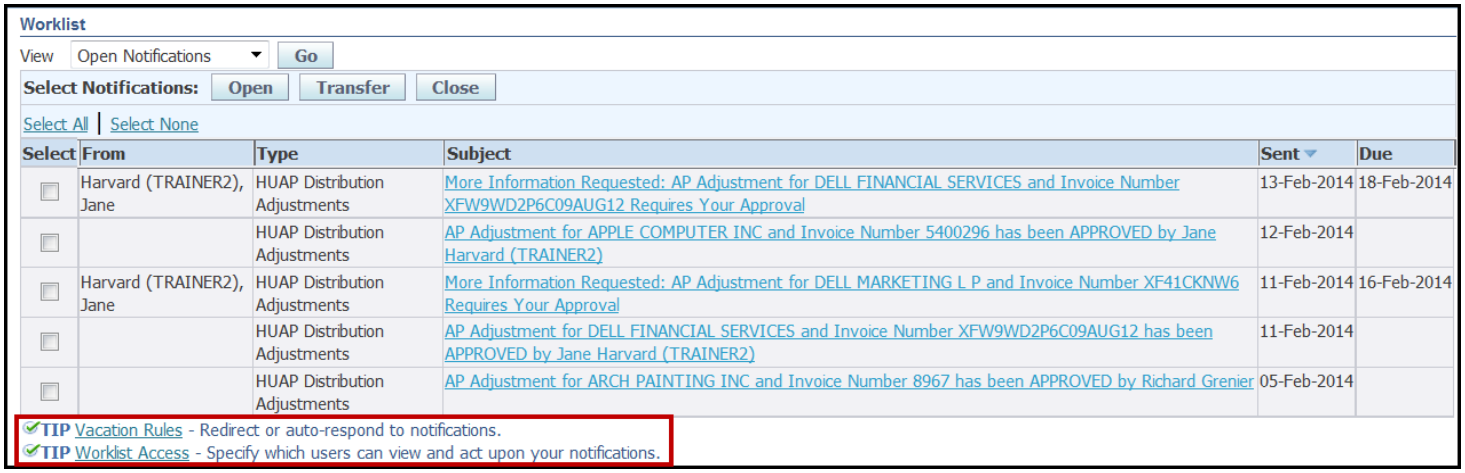
Additional Information/Considerations

- The AP Adjustment Approver responsibility does include the option to delegate Approval responsibilities or privileges to another Approver in the event of a planned or unplanned absence.

- Approvers and Requestors should establish rules locally advising the Requestor who should receive an AP Adjustment Request in the event that his/her usual Approver is not available.

- **It is not possible for a Requestor to "pull back" a request and change the Approver.** The assigned Approver will need to **Transfer** the request to the correct Approver.

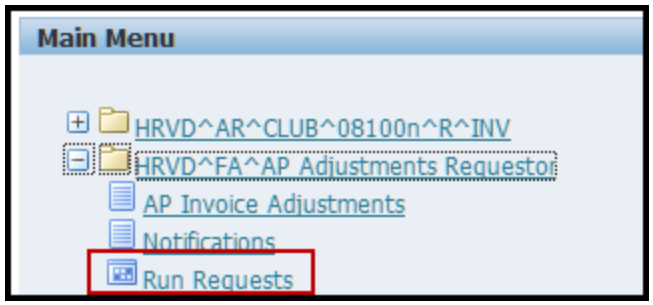
Vacation Rules/Sharing Worklists



- **Vacation Rules** can be used for planned absences
- **Worklist Access** shares approval work with another Approver by sharing worklists

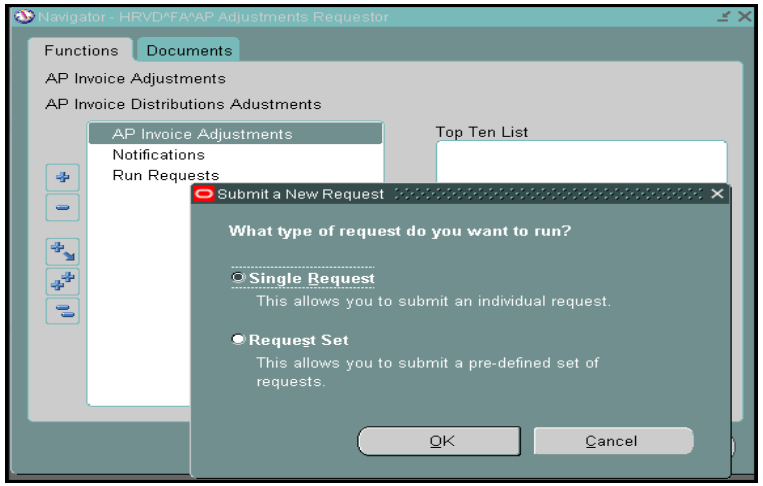
AP Adjustment Audit Report

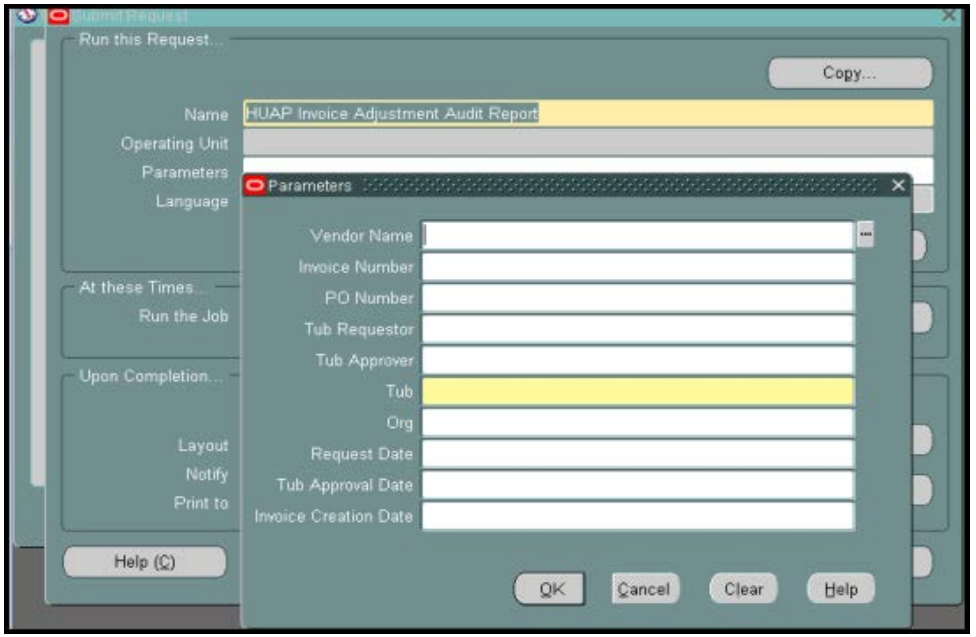
- Both the Requestor and the Approver can run an audit report
- The function can be found under the AP Adjustment Responsibility and is the Run Requests function



- The report request screen is an Oracle Form Request

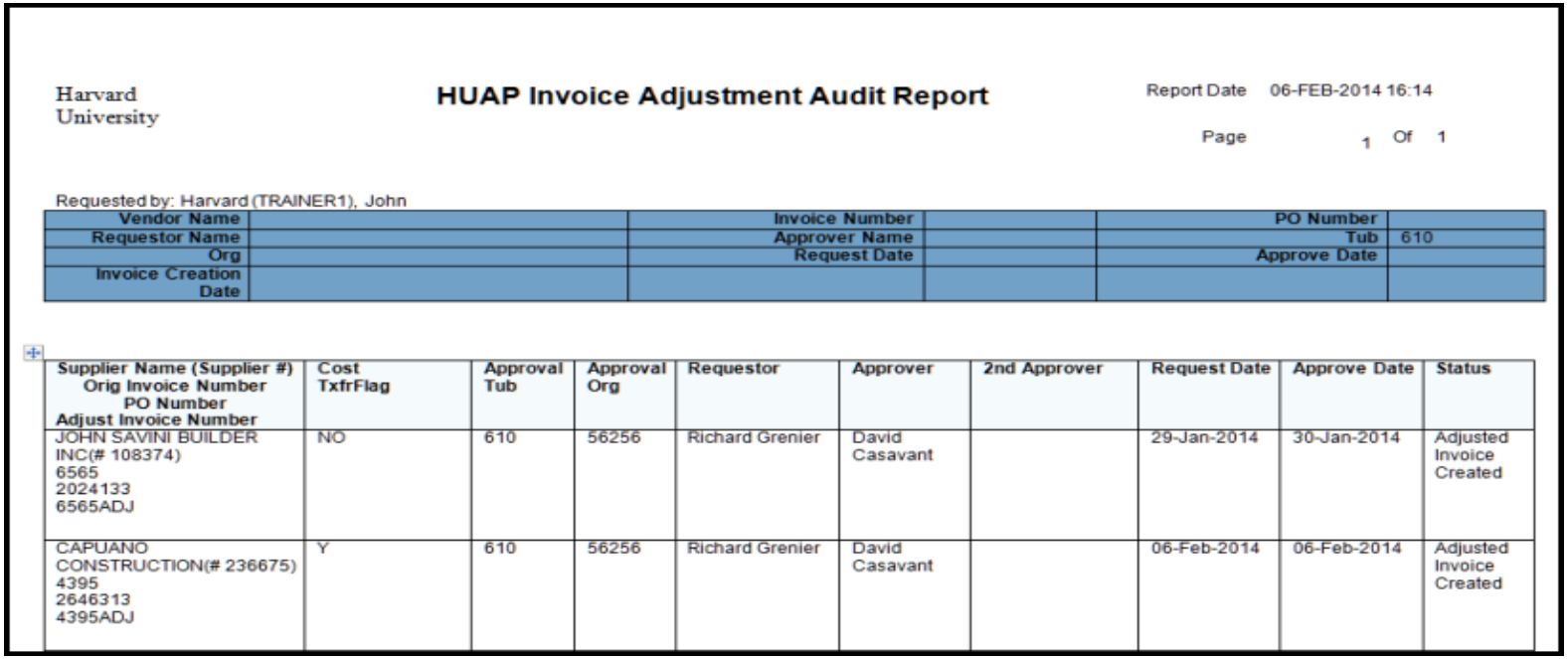
AP Adjustment Audit Report





- The only required field is Tub
- You can also add org; the Org is based on the ***Approver's security***

AP Adjustment Audit Report Output



Harvard University

HUAP Invoice Adjustment Audit Report

Report Date 06-FEB-2014 16:14

Page 1 Of 1

Requested by: Harvard (TRAINER1), John

Vendor Name		Invoice Number		PO Number	
Requestor Name		Approver Name		Tub	610
Org		Request Date		Approve Date	
Invoice Creation Date					

Supplier Name (Supplier #) Orig Invoice Number PO Number Adjust Invoice Number	Cost TxfrFlag	Approval Tub	Approval Org	Requestor	Approver	2nd Approver	Request Date	Approve Date	Status
JOHN SAVINI BUILDER INC(# 108374) 6565 2024133 6565ADJ	NO	610	56256	Richard Grenier	David Casavant		29-Jan-2014	30-Jan-2014	Adjusted Invoice Created
CAPUANO CONSTRUCTION(# 236675) 4395 2646313 4395ADJ	Y	610	56256	Richard Grenier	David Casavant		06-Feb-2014	06-Feb-2014	Adjusted Invoice Created

- The 2nd Approver on this list is in the case where an original Approver transferred the request to another Approver

FAS & University Resources

- Jennifer Edmonds, Manager of Accounting Policy & Analysis
  x5-0690, jenniferedmonds@fas.harvard.edu
- Gina Armstrong, Financial Analyst
  x5-9107, armstr3@fas.harvard.edu
- Rebecca Solari, Financial Analyst
  x6-1810, rsolari@fas.harvard.edu
- Eureka: http://eureka.harvard.edu Financials>>Job Aids>>Oracle Assets
  - Copy of this presentation
  - AP Adjustment Work Instruction
  - Online simulation
- Contact HUIT at x6-2001 or ithelp@harvard.edu to:
  - Pull back requests sent to approvers who are not in the office
  - Have Java installed, if needed, in order to run audit reports

Questions?