Monitoring Controls Over Accounts Payable/Purchase Order Key Processes

Function: Accounts Payable

Procedure n/a

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Guideline Recommendations

This document should be utilized by campus and RF central office staff responsible for the Accounts Payable and Purchasing processes as a guideline for developing monitoring and review procedures.

Note: This document only includes key processes and is not a fully inclusive listing of the controls to be created, rather a high-level guideline for managers to assist in developing monitoring controls.

Requisitions/Purchase Orders

Monitoring should be performed over electronic purchase requisitions and purchase orders.

The table below describes basic monitoring functions to be performed:

Monitoring Function	Purpose	Frequency	Recommended Report	Business Area/Responsibility
Review open purchase orders	Identifies all open purchase orders and closed purchase orders with remaining balances that need to be liquidated prior to closing an award and/or project. Can be used in Accounts Payable to prioritize closing PO payments.	Monthly	Open Purchase Orders with Active Encumbrance	Report Center, RF Air - Purchase Order Inquiry
Report Minority Business activity to sponsor (as needed)	Use to track payments made to minority businesses by award or by campus. Used on demand, each location may run as needed.	Quarterly or as needed based on sponsor requirements.	Accounts Payable MWBE Report	Report Center, RF Air – Accounts Payable Inquiry
Review Exceptions processed to Subaward payment categories	Report identifies PO's encumbered for incorrect amounts and invoices processed for incorrect amounts for	Monthly	RF Subawards First $25,000 Exception Report	Oracle – Purchasing & Accounts Payable

expenditure types Sub awards first $25,000 and Sub awards over $25,000.	
Use to monitor the correct expenditure types are being used for Sub awards first $25,000 and Sub awards over $25,000.	

Invoices/Payments

Monitoring Controls:

Monitoring should be performed over invoice and payment activities.
The table below describes basic monitoring functions to be performed

Monitoring Function	Purpose	Frequency	Recommended Report	Business Area/Responsibility
Review open purchase orders	Identifies all open purchase orders and closed purchase orders with remaining balances that need to be liquidated prior to closing an award and/or project. Can be used in Accounts Payable to prioritize closing PO payments. Used to track PO over 120 days old and on terming awards.	Monthly	RF Open PO Report	Oracle – Purchasing & Accounts Payable
Report Minority Business activity to sponsor (as needed)	Use to track payments made to minority businesses by award or by campus. Used on demand, each location may run as needed.	Quarterly or as needed based on sponsor requirements.	RF Minority Business Report	Oracle – Purchasing & Accounts Payable
Review Exceptions processed to Subaward payment categories	Report identifies PO's encumbered for incorrect amounts and invoices processed for incorrect amounts for expenditure types Sub awards first $25,000 and Sub awards over $25,000. Use to monitor the correct expenditure types are being used for Sub awards first $25,000 and Sub awards over $25,000.	Monthly	RF Subawards First $25,000 Exception Report	Oracle – Purchasing & Accounts Payable
Review Invoices On Hold	Lists all invoices on hold in the Accounts Payable module. Report includes project,	Daily/Weekly depending on volumes	RF Invoices on Hold Report	Oracle – Purchasing & Accounts Payable

	task, and award information for invoices with saved distributions. The report can be run for a specific project, award, location, or hold reason.			
Review Unvalidated Invoices	Use to review invoices with a status of "never validated" or "needs revalidation" in the Accounts Payable module. Report includes project, task, and award information for invoices with saved distributions. The report can be run for a specific project or award, or for all invoices.	Daily/Weekly depending on volumes	RF Unvalidated AP Invoices Report	Oracle – Purchasing & Accounts Payable
Review AP payment information	Review payment information to ensure a payment is generated from an AP invoice. Provides summary or detail information of payments made for a specified date range. Report can be run for a specific document type (wire transfers, foreign drafts, electronic, zero invoices and checks).	Daily	RF Summary and Detail Payment Register	Oracle – Purchasing & Accounts Payable
Review Outstanding Vendor Checks	This report provides a list of uncashed vendor checks for tracking and resolution of items	Monthly	RF Outstanding Check Register	Oracle – Purchasing & Accounts Payable
Review payments issued to 1099 suppliers to ensure accurate 1099 reporting	Displays a listing of miscellaneous payments made to 1099-MISC suppliers (U.S. citizens and resident aliens) for specified time period. The report can be run with detailed information, such as invoice numbers, invoice amounts, payment dates, and award and project numbers that have been charged, or with a summary of payment information.	Monthly	[RF 1099 Payment Report](#)	Oracle – Purchasing & Accounts Payable
Review paid invoice	Use to review paid	Monthly	1099 Invoice Exceptions	Oracle – Purchasing &

distributions with inaccurate or missing 1099-MISC income tax information	invoice distributions with inaccurate or missing 1099-MISC income tax information.		Report	Accounts Payable

Supplier Maintenance

Monitoring Controls:

Monitoring should be performed over supplier file activity.
The table below describes basic monitoring functions to be performed:

Monitoring Function	Purpose	Frequency	Recommended Report	Business Area/Responsibility
Review New Suppliers or Sites	Displays detail information for each supplier or supplier site including who entered it, the pay group, terms, creation date, and whether a site is a pay site.	Daily or weekly depending on location activity	RF New Supplier/New Supplier Site Listing	Oracle – Supplier File
Review suppliers to ensure 1099 information is accurate	Identifies 1099-MISC suppliers with inaccurate or outdated income tax information. Report identifies suppliers that will be treated as exceptions in the 1099-MISC reports.	Monthly (Central Office also runs this report and contacts campus users to correct invalid information to ensure accurate 1099 reporting)	1099 Supplier Exceptions Report	Oracle – Supplier File

Change History

Date	Summary of Change
July 24, 2017	Updated Reports
October 17, 2006	New parameter (location) added.
April 11, 2006	Revised to add monitoring tables and remove unnecessary information.

Feedback

Was this document clear and easy to follow? Please send your feedback to webfeedback@rfsuny.org.