Instructions for resolving prior fiscal year open encumbrances:

Greetings,

Please do a final review of all prior year 2014/2015 open orders and take the appropriate action to close out the orders. By the end of the first quarter of FY 15/16, any delayed deliveries, purchase order alterations, invoicing errors, and payments should have been finalized. Each Division/Department is responsible for monitoring their orders by working with their suppliers, Contract and Procurement Management, Receiving, Accounts Payable and Accounting Services, as a team to resolve issues with Purchase Orders, receipts and invoices. All prior year encumbrance lines must be actualized or reduced via the REQUISITION CHANGE ORDER (RCO) process by November 30, 2015 (with the exception of lines in project accounts).

- **OPEN ORDERS WITH ENCUMBRANCES** (amount based line): The Requestor Change Order (RCO) process should be used to reduce the line to the amount billed. The buyer will provide Final Approval of the request. This will close the line and close the encumbrance. If the RCO should fail for any reason, contact the PO Buyer.

- **OPEN ORDER WITH AN ITEM NO LONGER NEEDED** (quantity based line): The PO Requestor should send an email to the Buyer assigned to the order to cancel the final items.

- **OPEN ORDER WITH 14/15 ITEMS STILL NEEDED**: The Purchase Order lines will either need to be reduced to what has already been received and paid or cancelled. A new requisition charged to 15/16 FY will need to be submitted.

- **CLOSED ORDERS WITH A $1.00 OR LESS ENCUMBRANCE**: Accounting Services will clear these encumbrances.

- **OPEN ORDERS RECEIVED BUT NOT INVOICED**: Contact the supplier or contractor and request an invoice be forwarded to Accounts Payable.

Use this chart to determine the required action.

<table>
<thead>
<tr>
<th>Closed Status</th>
<th>Closed Code</th>
<th>Description</th>
<th>Action Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSED CLOSED</td>
<td>Line has been Final Closed.</td>
<td>Invoice has been recorded, but goods still need to be received in Oracle.</td>
<td>Contact vendor to expedite delivery of goods to the University.</td>
</tr>
<tr>
<td>OPEN CLOSED FOR RECEIVING</td>
<td>Either receiving is not required (2-way matched line) or receiving has already been done but the invoice paid at a lesser amount or has not been recorded (3-way matched line).</td>
<td>Contact vendor to expedite invoicing to the University Accounts Payable department. Or, if invoice has already been paid, use the RCO process to adjust the line dollar amount.</td>
<td></td>
</tr>
<tr>
<td>OPEN OPEN</td>
<td>Purchase order line is not yet fully received and invoiced.</td>
<td>Contact vendor to expedite either goods delivery or invoice receipt. Or use RCO Process to adjust line quantity and/or dollar amount.</td>
<td></td>
</tr>
</tbody>
</table>

For information on the RCO process please refer to the following link: [http://bfa.sdsu.edu/prosrvcs/pdf/ReqChangeOrder.pdf](http://bfa.sdsu.edu/prosrvcs/pdf/ReqChangeOrder.pdf)
To assist you in your encumbrance review, some new reports have been added in Oracle that can be run on demand. These reports replace the former SDSU ENCUMBRANCE INQUIRY REPORT. The first is a set of reports, **SDSU Encumbrance Reports (PO and AP)**. The report set is similar to the reports Accounting Services used to send to campus departments ... with a few new fields added to assist in the Requestor Change Order (RCO) process. The set consists of the following four reports and can be run as a set --- SDSU Encumbrance Reports (PO and AP) --- or individually as single jobs

1. SDSU All Encumbrances with GL Balances (summary listing of all encumbrances (commitment, invoice, obligation) for the account range specified that should tie to a funds available)

2. SDSU AP Encumbrance Invoices Report (listing of invoice encumbrances only)

3. SDSU PO Encumbrance Commitment Report (listing of commitment (requisition) encumbrances only)

4. SDSU PO Encumbrance Obligation Report (listing of obligation (purchase order) encumbrances only)

Below are the detailed instructions for running these reports.

**As a Request Set ...**

- Sign on to Oracle under “SDSU GL Inquiry” responsibility.
- Select “All Reports and Processes”
- Select “Standard”
- Select “Request Set” and click “OK”
- Select Request Set list of values “…”
- Select “SDSU Encumbrance Reports (PO and AP)” and click “OK”
- Click in “Parameters” and enter account segment ranges then click “OK”
- Click “Submit”
- “Submit another request?” click “No”
- Click “Report Manager for r12”
- Click “Monitor Requests”
- Click “Refresh” until icon appears in the “Output” cell
- Once icon appears in the “Output” cell click on the icon to open the output.

**Individually ...**

- Sign on to Oracle under “SDSU GL Inquiry” responsibility.
- Select “All Reports and Processes”
- Select “Standard”
- Select “Single Request” and click “OK”
- Select Name list of values “…”
- Select individual report “SDSU PO Encumbrance Obligation Report”, “SDSU PO Encumbrance Commitment Report”, “SDSU AP Encumbrance Invoices Report”, or “SDSU All Encumbrances with GL Balances – Detailed Report” and click “OK”
- Click in “Parameters” and enter account segment ranges then click “OK”
- Click “Submit”
- “Submit another request?” click “No”
- Click “Report Manager for r12”
- Click “Monitor Requests”
- Click “Refresh” until icon appears in the “Output” cell
Once icon appears in the “Output” cell click on the icon to open the output.

The second report is the **SDSU All Encumbrance Report (color pdf)** and it includes some new fields that were requested by various areas.

- Sign on to Oracle under “SDSU GL Inquiry” responsibility.
- Select “All Reports and Processes”
- Select “Standard”
- Select “Single Request” and click “OK”
- Select Name list of values “….”
- Select individual report “SDSU All Encumbrance Report (color pdf)” and click “OK”
- Click in “Parameters” and enter account segment ranges then click “OK”
- Click “Submit”
- “Submit another request?” click “No”
- Click “Report Manager for r12”
- Click “Monitor Requests”
- Click “Refresh” until icon appears in the “Output” cell
- Once icon appears in the “Output” cell click on the icon to open

Contract and Procurement Management, Accounts Payable and Accounting Services offer assistance with review of, procurement processes, reports and invoice processing. Business Information Systems hosts an open lab every Friday from 10 a.m. to 11 a.m. at the Applications Training Lab, AD233. Please RSVP to the HelpDesk at ext. 40899 or bis@mail.sdsu.edu.

We appreciate your cooperation and support in clearing out these old encumbrances.

Thank You,

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