

Invoice Holds

Effective Date: December 28, 2016

Function: Accounts Payable

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Basis for Procedure

This document provides an explanation for placing a hold on a vendor payment and the various types of holds.

Procedure

How Holds Are Placed on Invoices

Holds are placed on invoices to prevent payment of invoices. Holds can be placed on an invoice either automatically by the system during the online approval process in the accounts payable module or manually entered into the system. Oracle Payables provides some generic invoice holds and the RF has defined some specific holds that apply to our business (i.e., Hold Pending Project Director Approval). Also, payments to a supplier can be prevented by placing a hold on the supplier site for a supplier rather than the individual invoice.

Manual Holds

There are three types of manual holds that can be used to prevent payment of an invoice:

- Invoice Hold – Manually applied in the invoice hold window.
- Scheduled Payment Hold – Manually applied in the schedule of payment window.
- Supplier Hold – Three types of holds can be placed on a supplier site record for a supplier
 - Hold All Payments
 - Hold Future Invoices, or
 - Hold Unmatched Invoices.

Also, an invoice amount limit can be placed on a supplier site record for a supplier.

System Holds

Certain holds are automatically applied to exception invoices during the on-line approval process. These holds cannot be manually applied. Some holds can manually be released and others cannot. When a hold cannot be manually released, resolution of the issue that caused the hold must take place before the system will release the hold. Some of the holds that the system automatically applies are:

- Can't Funds Check – Invoice project, task, award (PTA) does not equal the purchase order PTA. Must resolve the issue, manual release is not allowed.
- Amount – Invoice amount exceeds invoice amount limit specified for a supplier site record for the supplier. Manual release is allowed.
- Invalid PO – Invoice matched to an unapproved or invalid purchase order. Manual release is allowed.

Supplier – "Hold Future Invoices" has been designated in the supplier site window for this supplier. Manual release is allowed.

- Matched Required – Invoice not matched to purchase order. Manual release is allowed.
- Max Quantity Ordered – Quantity billed exceeds the total quantity ordered + tolerance amount. Manual release is allowed.
- Max Quantity Received – Quantity billed exceeds the total quantity received + tolerance amount (only applicable if three-way match is required). Manual release is allowed.
- PO Not Approved – Matched purchase order not approved. Manual release is allowed.
- Price – Invoice unit price exceeds the total purchase order unit price X (1 + % tolerance). Manual release is allowed.
- Quantity Ordered – Quantity billed exceeds the total quantity ordered X (1 + % tolerance). Manual release is allowed.
- Distribution Variance – Invoice amount does not equal sum of invoice distribution amounts. Manual hold not allowed. Must adjust invoice distributions or invoice amount and resubmit approval.
- (All Payments) – "Hold All Payments" has been designated in the supplier file site record for this specific supplier.

Viewing Invoice Holds

Holds can be viewed either in the 'Invoice Overview Window' or the 'Invoice Holds Window' in the accounts payable module. Reports are also available for the review and monitoring of invoices on hold.

Releasing and Resolving Holds

Manual holds must be manually released. System holds are automatically released when invoices are reapproved during the online approval process if the problem that caused the automatic hold is resolved. Once the hold is released, the invoice is available for payment through the payment batch process.

Definitions

None.

Related Information

None.

Forms

None.

Change History

Date	Summary of Change
December 28, 2016	Updated Format

Feedback

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