

## **Three Way Match Requirement For All Procurement Component Payments**

### **Objective**

To ensure that the purchase order, receipt of goods/services, and the invoice agree and are processed electronically in the Minnesota Accounting and Procurement System (MAPS) procurement component.

### **Policy**

The three way match process is initiated by a decision to purchase an item or service. This process starts in the MAPS procurement component as a requisition or an order.

A pre-encumbrance of funds occurs when a requisition is entered. When a purchase order is created, the pre-encumbrance is referenced and relieved, funds encumbered, and the order processed.

When a purchase order is entered directly, funds are encumbered and the order processed.

In both cases, once the purchase order has been issued, the user verifies the receipt of the supplies or services, the vendor bills for the delivery, the MAPS procurement component completes the three way match process and the accounting component issues the warrant.

A situation that does not require a three way match is using a Field Purchase Order (FPO) document. The FPO is used for orders under \$500 and no purchase order has been previously created in the MAPS procurement component.

Payment records are built automatically in the MAPS procurement component upon the successful system comparison of the receipt record with that of the purchase order and invoice. The payment is automatically scheduled and designated as to how payment will be made. After authorization of payment, the accounting component automatically creates a payment voucher (invoice to record an obligation for payment). The system records the expenditure, relieves the encumbrance, and makes the payment to the vendor on the scheduled date.

### **General Procedures**

<b>Step #</b>	<b>Actions to be Performed</b>	<b>Responsible Party</b>
1.	Create a requisition or enter an order into the MAPS procurement component after receiving the proper	Agency

	approval.	
2.	Encumbered the funds. The pre-encumbrance (if one exists) is relieved and an order is generated.	Agency
3.	Use the three way match receipt process in the MAPS procurement component to record the receipt after receiving the item(s) and the packing slip but prior to receiving the invoice.	Agency
4.	Use the three-way match invoice process in the MAPS procurement component to record the invoice even if no packing slip was received or the receipt was previously recorded.	Agency
5.	Use the three way match invoice process in the MAPS procurement component to perform an "all in one" transaction to record the receiving of the receipt and invoice concurrently.	Agency
6.	Enter the invoice data directly for FPO processing by adding an FPO order. Use the direct entry order process in the MAPS procurement component. A receipt and invoice record is automatically built by the system on-line.	Agency