When to Use the Finalize and Undo Finalize Buttons on a Voucher	
V.1.4.	04/19/2023

This Is a guideline on when and how to use the **Finalize** button and the **Unfinalize** button on a voucher in SMART.

Foundation Information – Finalize Button and Undo Finalize Button

The **Finalize** button on a **Voucher** releases the **encumbrance** on the **Purchase Order (PO)**.

You may also see the **Finalize** button on a **PO** which releases the **pre-encumbrance** on the **Requisition** and does not affect vouchers.

The **Undo Finalize** button on the **Voucher** restores the **encumbrance** back to the **PO**.

The **Finalize** and **Undo Finalize** buttons at the **Header** level of the Voucher affect **ALL** PO lines on the Voucher.

Selecting the **Finalize** and **Undo Finalize** buttons at the **Line** level of the Voucher only affects the PO line associated to the selected Voucher line.

Note: You can only **Undo Finalize** a Voucher that has been previously **Finalized**.

When to Use the Finalize Button on Vouchers

➢ When ALL the payments against a PO line are made that are ever going to be made and there is still remaining encumbrance on the PO line, it is appropriate to select the **Finalize** button.

Timing Considerations

➢ If the Voucher is still in process, AND has NOT been paid, then it is OK to use the **Finalize / Undo Finalize** buttons on the Voucher to release the PO / PO line encumbrance.

➢ If the Voucher HAS been paid, AND the Voucher Accounting Date IS within the current month, then it is OK to use the **Finalize / Undo Finalize** buttons on the Voucher to release the PO / PO line encumbrance.

➢ If the Voucher HAS been paid, AND the Voucher Accounting Date is NOT within the current month, **DO NOT USE** the **Finalize** button on the Voucher. The agency Buying Administrator needs to **Close** the PO / PO line using the Buyer's Workbench (please see the *Manual PO Close Process* job aid). Closing the PO / PO line releases the PO encumbrance.

➢ If the Voucher HAS been paid, AND the Voucher Accounting Date is NOT within the current month, **DO NOT USE** the **Undo Finalize** button on the Voucher. In this case the Voucher/Payment is complete and any remaining encumbrance cannot be restored to the PO. The agency Buying Administrator needs to **Close** the PO / PO line using the Buyer's Workbench (please see the *Manual PO Close Process* job aid). Closing the PO / PO line releases the PO encumbrance. A new Requisition/PO will need to be created to process any remaining outstanding balance.

*Hint: Check the **PO Activity Summary Page** job aid for details **BEFORE** clicking the Finalize button!*

Example 1

DO NOT USE

➢ The associated Voucher has been **paid**; AND
➢ The Voucher Accounting Date is within a **Closed period**;

Solution:

Do **NOT** click either the **Finalize** or **Undo Finalize** buttons.

When these criteria are met, SMART changes the **Voucher Budget Status** from Valid to **Not Checked.** When the Voucher Budget Status = Not Checked AND the Voucher Accounting Date is in a Closed Accounts Payable period (or prior fiscal year), the Voucher will **NOT** be picked up by the hourly Budget Checking batch process.

If the Voucher is NOT picked up by the hourly Budget Checking batch process, then SMART effectively puts the PO encumbrance on hold and can NOT release the encumbered monies. Consequently, an agency may see that the PO has a status of Closed and the PO encumbrance still appears in the **Current Obligations** report.

Example 2

DO NOT USE

➢ **Agency PO:** Ordered 25 staplers from Stales Office Supplies
➢ **Agency Receipt:** Received 20 staplers

Solution:

Do **NOT** click either the **Finalize** button on the Voucher:

- If the additional 5 staplers may be received

- If the additional 5 staplers are not expected to be received. This is an on contract purchase so please see *Closing a Contract PO Not Used in Full* job aid for instructions on returning the contract spend to the contract.

Example 3

OK to use

➢ **Agency PO:** Ordered 10 computer monitors
➢ **Agency Receipt:** Received 10 computer monitors
➢ **Agency Voucher:** Paid for 10 computer monitors
➢ **Encumbrance (PO):** There is money left on the PO after paying for the computer monitors

Solution:

In this example, it is **OK** to click the **Finalize** button on the Voucher to release the remaining encumbered monies from the PO, since no additional items are pending from the vendor). (Keep in mind the dates).

 Example 4

PART A.
- ➢ **Vendor ID:** 0000000007
- ➢ **PO ID:** 0000000045
- ➢ **PO Line:** 2
- ➢ **Receipt:** 0000000015
- ➢ **Voucher:** 00000123

When Voucher number 00000123 was created in SMART, the Voucher Processor clicked the **Finalize** button, thereby releasing the remaining encumbrance monies on PO line number 2.

PART B.
- ➢ **Vendor ID:** 0000000007
- ➢ **PO ID:** 0000000045
- ➢ **PO Line:** 2
- ➢ **Voucher:** 00000356
- ➢ **Voucher Budget Status (Summary Page):** Exception

The Voucher Processor created Voucher number 00000356 and pulled in the same PO and PO line number. When the voucher entered the Budget Checking batch process, the Voucher was flagged by SMART as having a Budget Status of **Exception**.

SMART flagged the voucher as having a Budget Status of **Exception** because the Vendor Processor had clicked the **Finalize** button on Voucher number 00000123.

When SMART attempted to budget check the Voucher number 00000356, SMART recognized that there were no monies available because they had been finalized (or released) on Voucher number 00000123. The lack of available funds caused SMART to flag voucher 00000356 as having an **Exception**.

Note: If previous Voucher number 00000123 was incorrectly finalized, click the **Undo Finalize** button. Wait for the next hourly Budget Checking batch process to run. That should correct Voucher number 00000356. (Keep in mind the dates.)