Banner Procurement

Procurement Guidelines

Requisition (R-------)

- Procurement Services issues PO from Requisition and sends PO to vendor. Commitment to vendor should not be made until PO is issued and sent.
- Specify on Requisition if you want something other than Regular PO (Cash Pay PO, Open PO)
- Banner Receiving (FPARCVD) is required *except* on Cash Pay POs

⇒ **Regular Purchase Order (P-------)**

- Used to order specified items and quantities from a specified vendor
- Orders may be paid at time of order (Cash Pay PO) or vendor will bill afterwards (Regular PO)
- All capital equipment orders (incl. computers) must be ordered this way
- All orders over $5000 must be ordered this way
- PO is closed out when order is received and paid

⇒ **Open PO/Funded Blanket PO (V17----)**

- Set up for use by one department only, with a specific vendor
- Used to encumber funds for entire fiscal year
- Usually used for repetitive payments, misc. purch, or maint. agreements
- PO is kept open until entire encumbrance is used (or until end of fiscal year)

Unfunded Blanket PO / Call Number (BA17--- / P-------)

- Under $5000, no capital expenditures (no computers!)
- Item being purchased must fit description stored on Banner form
- No Backorders allowed—items must be in stock at time of order
- Set up call # on Banner (leave open with estimated amount of order) and send order directly to Vendor
- Close call # (with actual amount of order) after order is received
- Forward original invoice to Accounts Payable after closing call #
- Banner Receiving (FPARCVD) is not required

Limited Purchase Order (LP------)

- Under $2500, no capital expenditures (no computers!)
- Request paper LPOs from Procurement by memo
- Check with Vendor and Procurement on any requirements before using
- Enter and complete on Banner immediately after using
- Forward original invoice to Accounts Payable after entering
- Banner Receiving (FPARCVD) is not required

Petty Cash:

- Under $100 only
- Entered into Banner by Cashiers—just turn in signed form and receipt(s)

ProCard:

- $2500-$5000 limit
- Cannot be used for any travel expenses (airlines/car rentals/lodging-the Travel Card should be used for these expenses).
- Also cannot be used for food, catering, or capital equipment (over $5000)

INCORRECTLY SPECIFIED GOODS, WRONG GOODS RECEIVED
Sometimes you may order an item that is not exactly what you wanted, or does not function as you expected. Rather than keep something which may go unused and waste public funds, the item should be returned for credit or a refund (assuming that the invoice has already been paid). First, you should contact the vendor to see if they will accept a return. Be certain to ask about their restocking policy, as some vendors may charge a restocking fee. Procurement Services may be able to have the restocking fee waived, so please contact us for assistance if you are told there will be a fee. Please note: if your order required a formal bid or quotation, you must check with the buyer before contacting the vendor regarding a return.

Once you have arranged to return the item (in cooperation with the vendor and Procurement), a change order or a modification to the original Purchase Order must be done by Procurement. Returns should be handled in cooperation with the Receiving department and completely documented by the change order so that all involved parties--especially Accounts Payable--will be notified of the change.

REPORTING MISTAKES OR DAMAGE IN SHIPPING
You are required to immediately inspect all items when they are delivered. Carefully prepared specifications, bid requirements, and other negotiated aspects of the purchase are meaningless unless you can verify that the goods conform to the requirements on the Purchase Order.

While Procurement Services is not usually responsible for inspection, we should be notified immediately of any problem(s) you discover during inspection. If the shipment is unsatisfactory in any way, notify the Buyer indicated on the Purchase Order immediately.

Sometimes vendors make a warehouse "picking" error and ship the wrong item, even though the packing list may read correctly. Contact Purchasing immediately to report when incorrect items are shipped. We will help you get the correct items and return the incorrect items.

Comprehensive inspection may reveal concealed damages that are not easily recognized by Central Receiving personnel. Concealed damage means damage to the contents of a package which is not readily visible to the carrier or Central Receiving at the time of delivery. The goods are received in apparent good order and a clear delivery receipt is given to the carrier, but upon closer inspection, breakage or damage is found. Central Receiving will catch most concealed damage problems; however, sometimes internal breakage will not be identified until the equipment is "plugged in" or you attempt to use it.

NOTE: Interstate Commerce Commission (ICC) regulations require damage reports to be made no later than fifteen (15) days after delivery to Central Receiving, so immediate action is vital. Prompt discovery of shipping claims is essential to full recovery of UAA's loss, rather than the 50% maximum allowed if the damage is discovered and reported later. Contact Central Receiving and Procurement immediately if concealed damage is discovered.

REMEMBER, your attention to timely inspection will make it easier for us to help rectify any deficiencies that you discover. In all such cases, it is important to immediately notify Accounts Payable to put a hold on the payment. Sometimes we may be legally bound to remit payment, with resolution or compensation coming directly from the freight carrier. This is why requesting shipping terms of <u>F.O.B. Destination</u> is so important. <u>F.O.B. Destination</u> means that title passes to the

University at our dock, or the actual shipping address indicated on the P.O.   The vendor is therefore responsible for filing claims for loss or damage directly with the freight carrier. Unfortunately, sometimes a vendor will require shipping terms of F.O.B. Shipping Point, which means title to the goods passes when the shipment leaves their dock. In these circumstances, damage or loss claims must be settled directly with the freight carrier and we are liable for payment to the vendor, even if the goods are damaged.

Material ordered on a PO is normally delivered to Central Receiving unless the items are:

--too heavy or bulky for Receiving to effectively deliver;
--to be installed at the time of delivery;
--to be added to a receptacle or holding tank; i.e. fuel;
--appropriate for direct shipment, in the buyer's sole determination.

If for some reason, the materials are picked up or delivered directly to you, you must inspect the shipment for damage and compliance with the PO requirements. If you determine that the order is acceptable, immediately notify Central Receiving in writing to arrange property tagging (if necessary) and complete a Receiving report on the Banner system.

UNAUTHORIZED PURCHASES

Any purchase, commitment or expenditure which is made by a person who is not specifically authorized to make that purchase, commitment or expenditure, is UNAUTHORIZED. Unauthorized purchases may become the personal financial responsibility of the person making the transaction and could result in dismissal, civil or criminal penalties.

All unauthorized purchases must be explained in writing and reviewed by the Procurement Services Director. Unauthorized purchases exceeding $2,500 must be approved by the Chief Procurement Officer after review and recommendation by the Chancellor. Whenever practical and/or possible, the UAA Purchasing office will require return of items received as unauthorized purchases.

UNIFORM REQUIREMENTS REGARDLESS OF FUNDING SOURCE

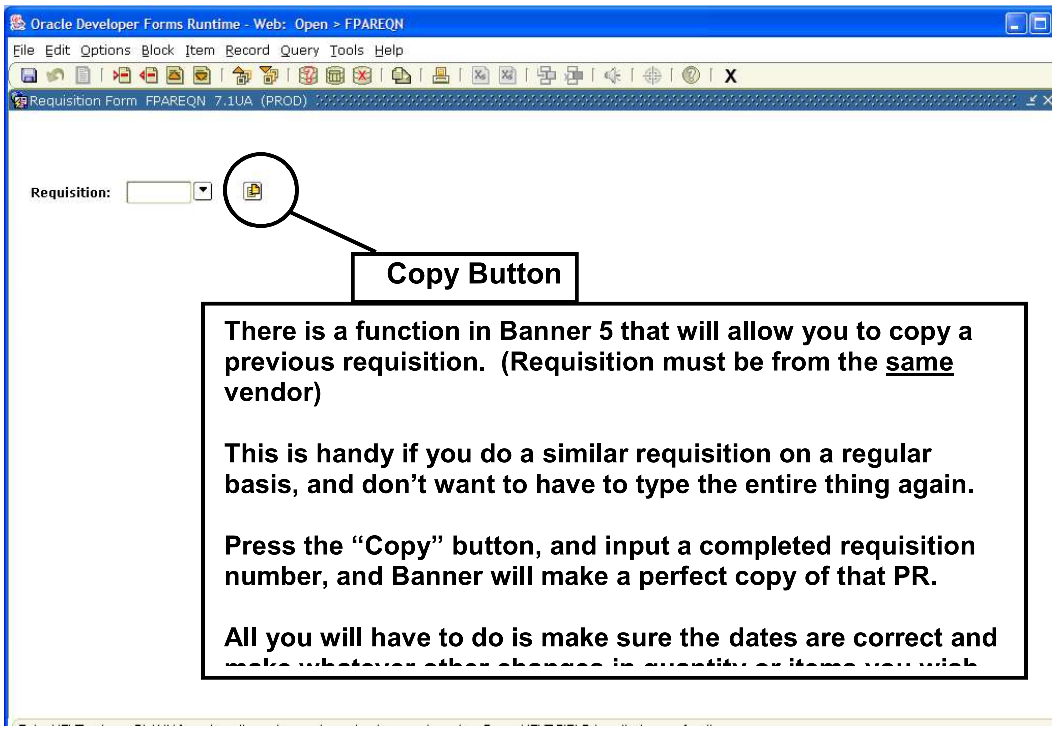
All UAA non-personal service funds, regardless of their sources, must be expended through the Procurement Services office, and in accordance with Alaska state procurement law (A.S. 36.30) and University of AK procurement regulations. State and federal grants are awarded contingent on UAA's ability to enforce appropriate public procurement law. This is sometimes confusing to grant recipients who often view the funds as their "own," to be spent at their sole discretion and authority. Certainly, if the grant has stipulated a specific use for the funds, i.e. a particular piece of equipment or consultant needed to accomplish the task, the Purchasing office will work with both the grantee and the Grants and Contracts office to ensure that the items or services procured will comply with all grant requirements.

Remember, you may make inquiries, obtain information or make recommendations for proposed items or services; however, binding purchase commitments may only be made by UAA Procurement Services.

Purchasing, Part One
-Purchase Requisitions-

Make sure **FOM2PRF** is filled out before starting your first Requisition.

Go to **FPAREQN** and type “NEXT” in the empty field to create a new Purchase Requisition. Make absolutely sure that “NEXT” is all that appears in the field and press <Next Block>*.



*<Next Block> = Ctrl + Pg Dn

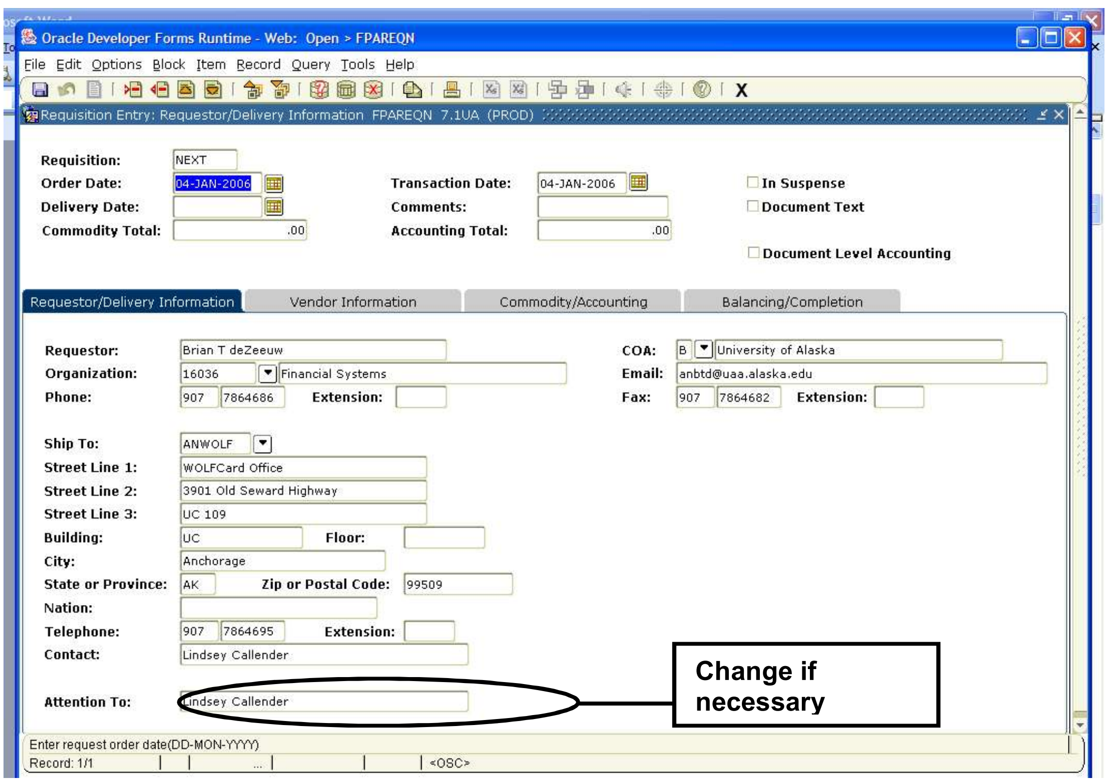
Order date and transaction date will default to the current date-leave them as is.

Fill in the delivery date (note: requisitions typically take about 3-4 days to process, but this depends on a number of factors and time of year). If this order is a rush, then call Procurement for assistance.

Requestor will default from **FOM2PRF** (go there now if it doesn't, and then return to FPAREQN) leave as is, even though you can add whom you're ordering it for, if you wish. COA will default to "B"-leave as is.
Your Org, E mail, Fax number and phone number should also default from the FOM2PRF. If not, fill in your 5-digit Org code (required for completion, but not who the merchandise gets charged to-this is just used to fill out some defaults further on in the form).

Ship to address is required. If you don't know your ship-to code, you can click on the "search" icon and find your department code. **Note: all Anchorage departments will start with "AN".**

"Attention to:" will default, but you can type over this if incorrect.



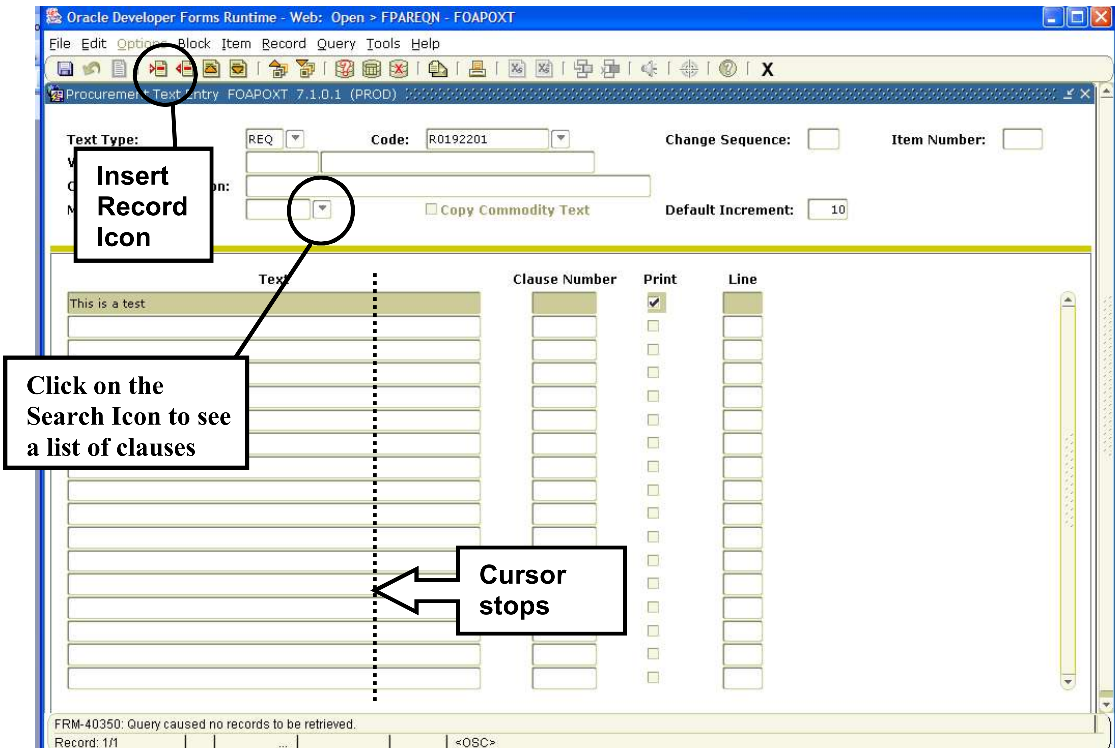
Use "Document Text" (in the "Options" menu) to add notes for Procurement or Accounts Payable.

Make sure that you give as much information as possible to these two departments, as that will speed your requisition towards completion that much faster, and prevent them from having to call you if anything is unclear.

To add Document Text, click on it in the Options Menu, which will take you to **FOAPOXT**. Press <Next Block> and type in your first line of text. When you get to the end of the line (the cursor will stop about halfway through the text block) press <Next Record>* to get to the next line, as the cursor will <u>not</u> automatically wrap.

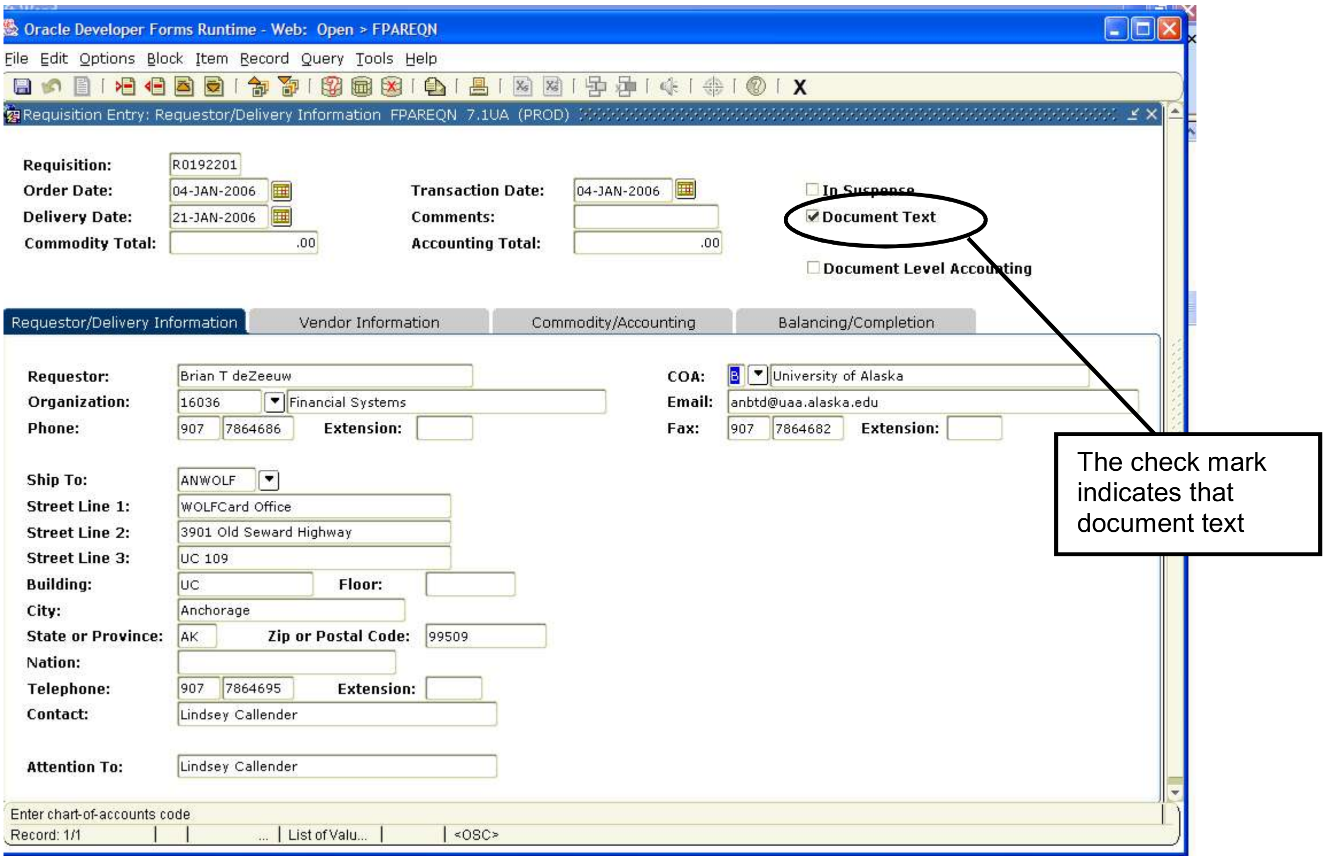
There are also several Clauses that are available for use. For instance, if this is a “Cash Pay” (A check accompanying the merchandise to the vendor) or a new vendor address, you can type that code in the “Modify Clause” box and click on the “Insert Record” icon to copy the default information down to the text block.

After you’ve typed in your lines of text, <Save>* the document and <Exit>* back to the requisition form.



*<Next Record> = Down Arrow
<Save> = F10
<Exit> = Ctrl + q

This is a correctly filled out first page of a requisition, with document text. Note that the word "Next" has now been replaced with a Requisition number (The system generates a number as soon as you go to the document text screen, or press <Save>).



Press <Next Block> to get to the Vendor Information page.

If you know the Vendor Number, you may enter it. If you don't know the vendor number, click on the "search" icon to search the Vendor database (See: "Searching for vendors"). ***Always do a thorough search, as the vast majority of vendors are already in the database.***

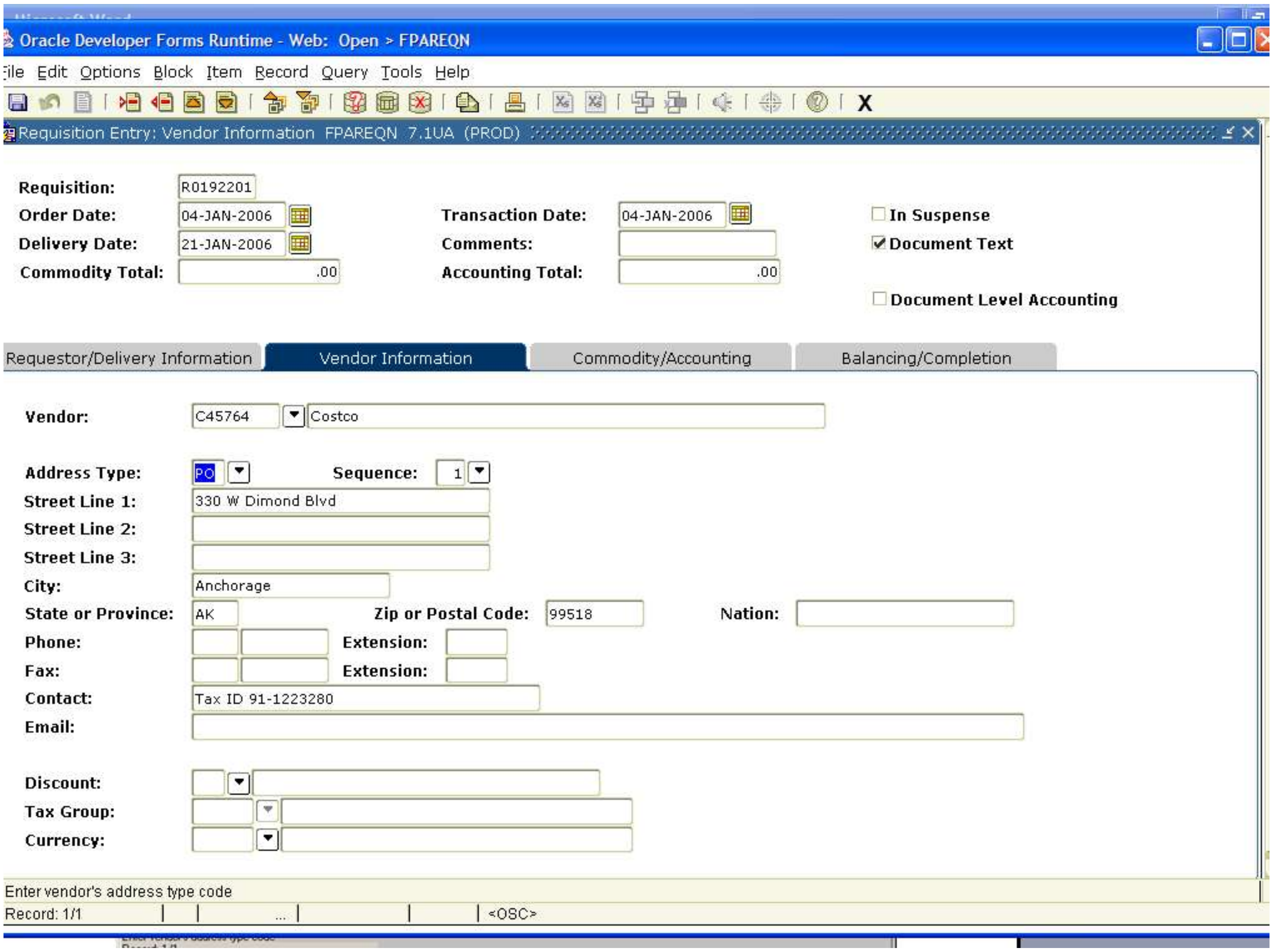
The Vendor field can be left blank, if you don't know or care which vendor is to be used, however the more information you can give to Procurement, the faster your requisition will be processed.

If you provide a vendor number, you must also provide the address code for the vendor. If it doesn't automatically pop up, then click on the "search" icon in the "Address Code" field and select the "PO" address (Usually Sequence #1).

If you can't find the vendor number, just skip that field and type the vendor name in the name field.

<Tab> off the Address Code field and the address is fill in. Type in the Contact name at the Vendor and the E-mail address, if applicable.

Do not use the bottom three fields (Discount, Tax Group, Currency).



Press <Next Block> to get to the Commodity page.

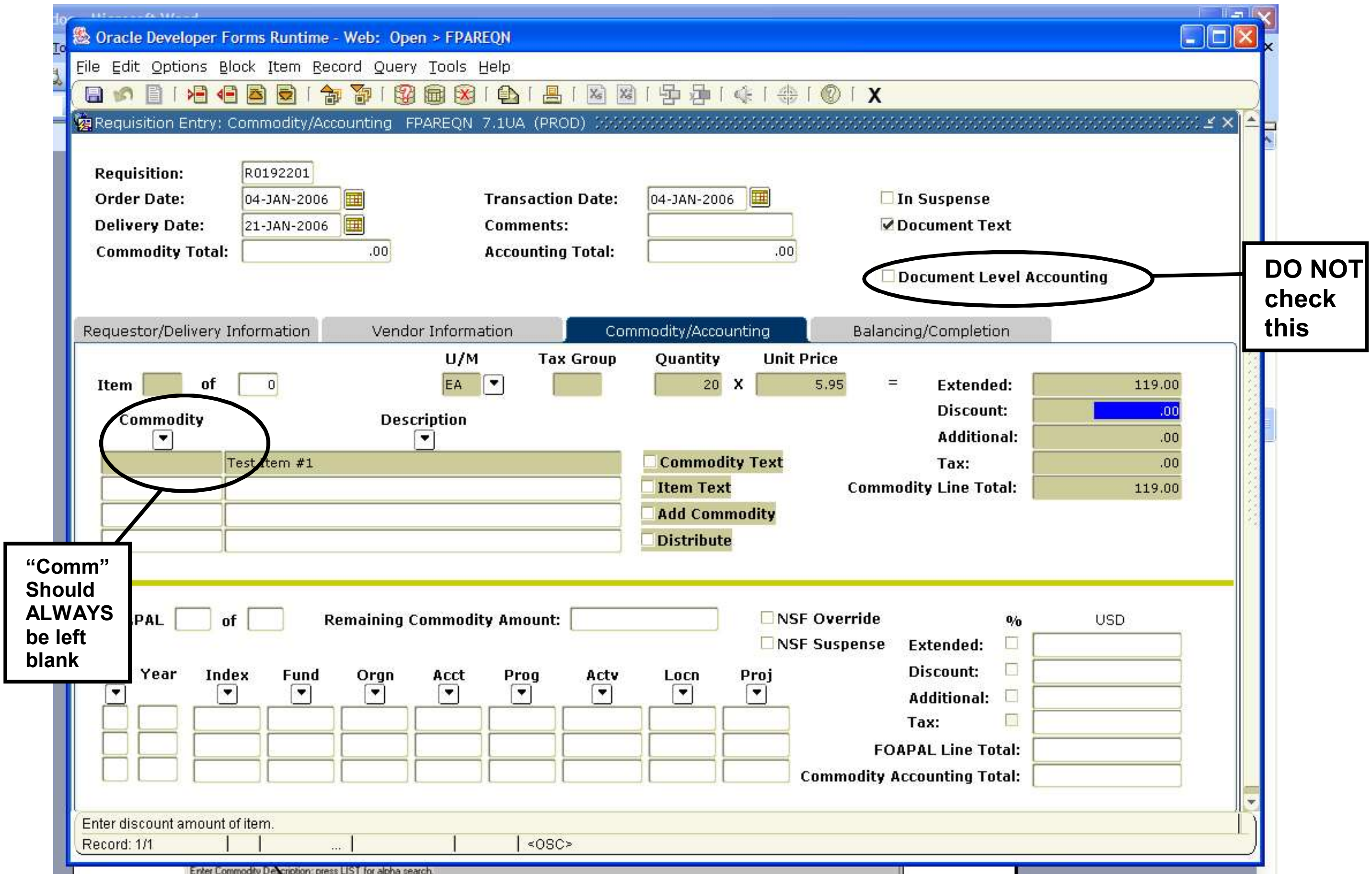
<Tab> past the “Comm” field (UA does not use Commodity numbers) and type the description of your first item in the “Desc” field. **Be as descriptive as the space allows!** Do not just type “book”. If the title or author fits in the field, then provide it.

Press <Tab> and your cursors moves (up) to the U/M (Unit-of-Measure) field. Type in the unit of measure (or click on the “search” icon if you don’t know the appropriate abbreviation).

<Tab> to the “Quantity” field and input the quantity you wish to order.

<Tab> to the “Unit Price” field and input the price for each item (not the total)

If you need to further describe the item, then click on “Item Text” in the Options Menu, and input your description exactly as you would for Document Text. Keep in mind that Item Text should be used to describe the item you are ordering, and document text should be used for instructions involving the entire order. **If you have a part number or catalog number, provide it**.



After you have typed in the Unit Price (and Item Text, if applicable), then press <Next Block> to move to the Accounting screen. Even though it appears on the same screen as the commodity, the accounting information is on another page, and you must press <Next Block> to get to it.

***Remember*: The *Item Text* is used to describe an <u>item</u>; the *Document Text* is used to describe the <u>order</u> as a whole.**

The Chart of Accounts should default to a "B"-if not, then type "B" in the first field.

<TAB> off of the COA field and your default Fund and Orgn combination will fill in.

Leave the Index Field blank.

<Tab> to the Fund Field, and change it, if appropriate. Do the same for the Orgn Field.

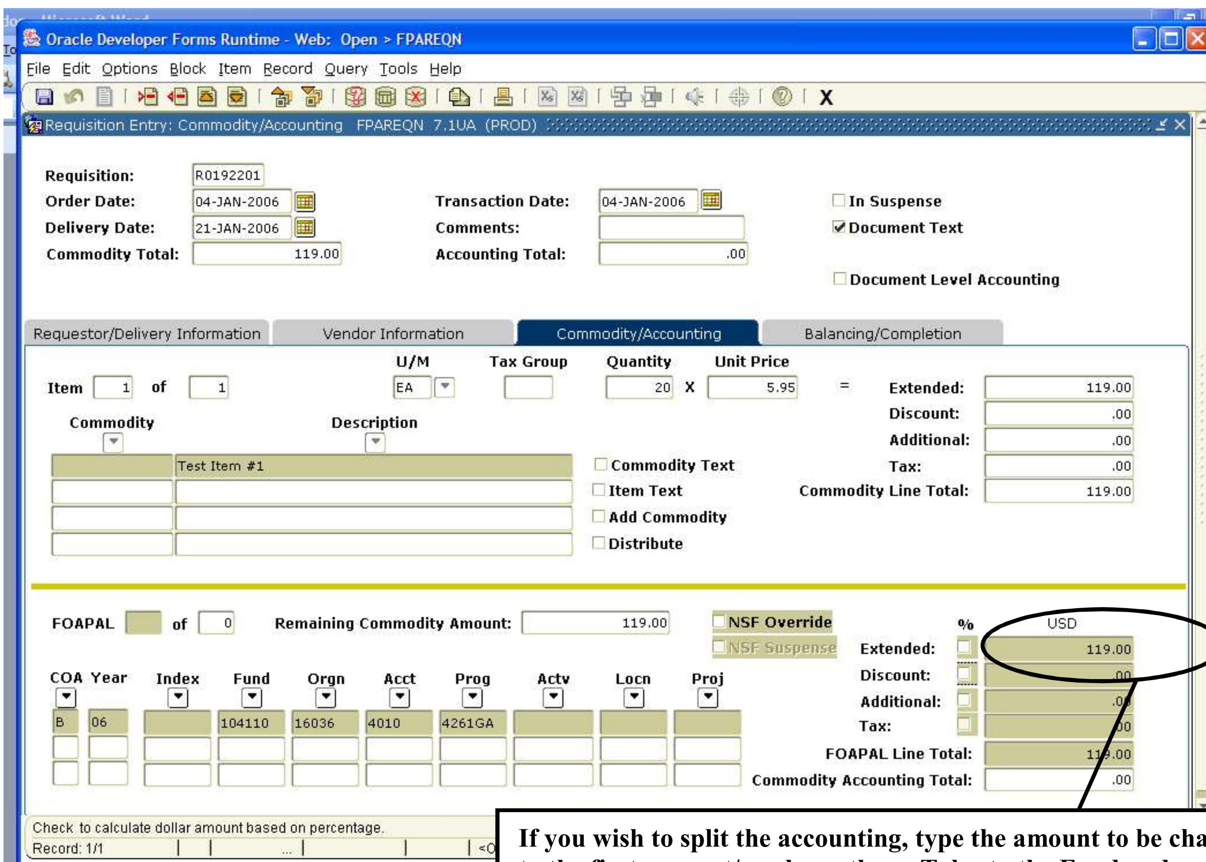
Input the correct account code in the Acct field. If you don't know the appropriate account number, click on the "search" icon next to the Acct field.

The Prog number should default based on what Orgn number you used. Retype if incorrect.

<Tab> until you get to the “Extended Amount field” (The Actv, Locn, and Proj fields are not used).

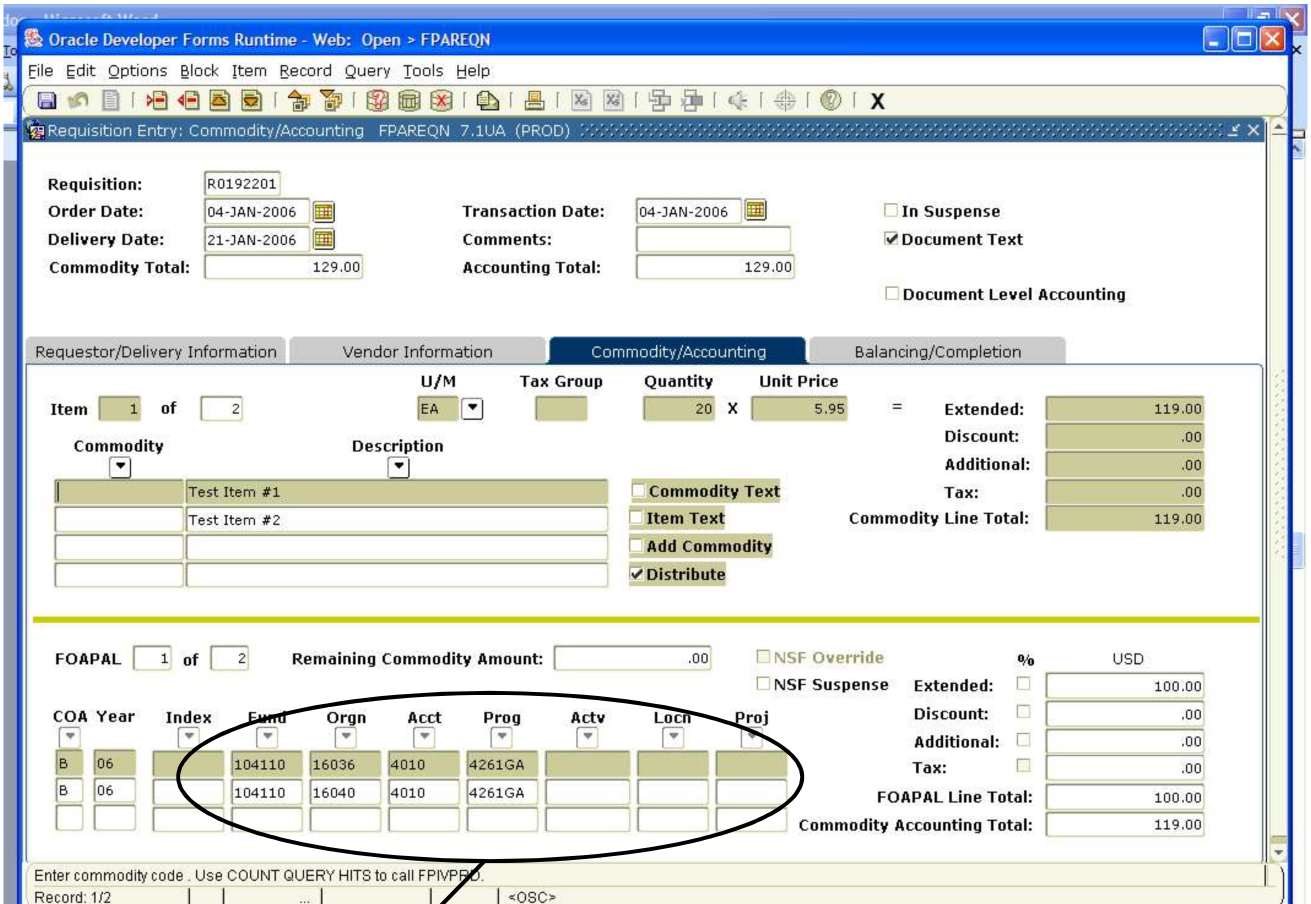
If the entire amount of the item you’re entering is to be charged to one account, then simply <Tab> past this field and the full amount will fill in for you. If you wish to *split* the accounting, then type the amount that is to be charged to the first account and <Tab> until you get back to the COA Field (the first field on this page).

If the accounting is to be split, then press <Next Record> and repeat the process with the second org/fund/acct combination, remembering to type in the dollar amount that is to be charged to the second line. Repeat this process for every additional line of accounting information.



If you wish to split the accounting, type the amount to be charged to the first account/org here, then <Tab> to the Fund and press <Next Record> to put in the accounting line.

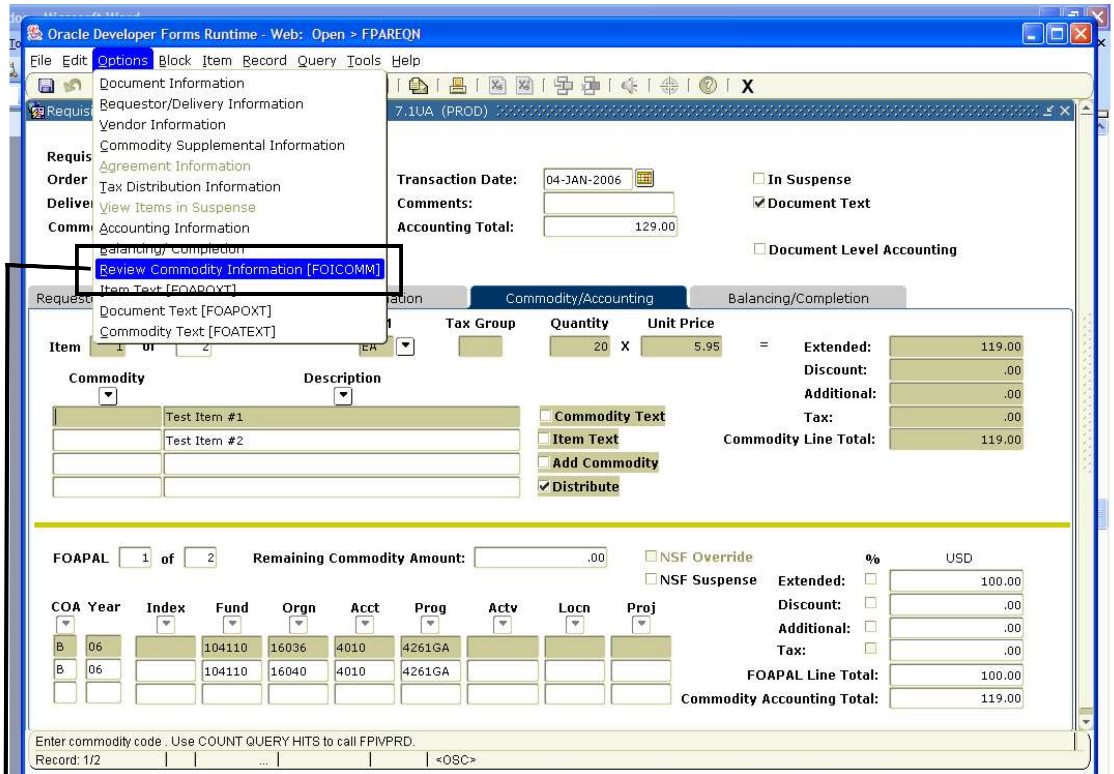
When done with the accounting, if there is a second item to enter, press <Previous Block>* to go back up to the Commodity page, and then press <Next Record> to start the process over on a blank line. Be sure not to type over your previous item, or you won’t be adding another item; you’ll just be changing your previous one.

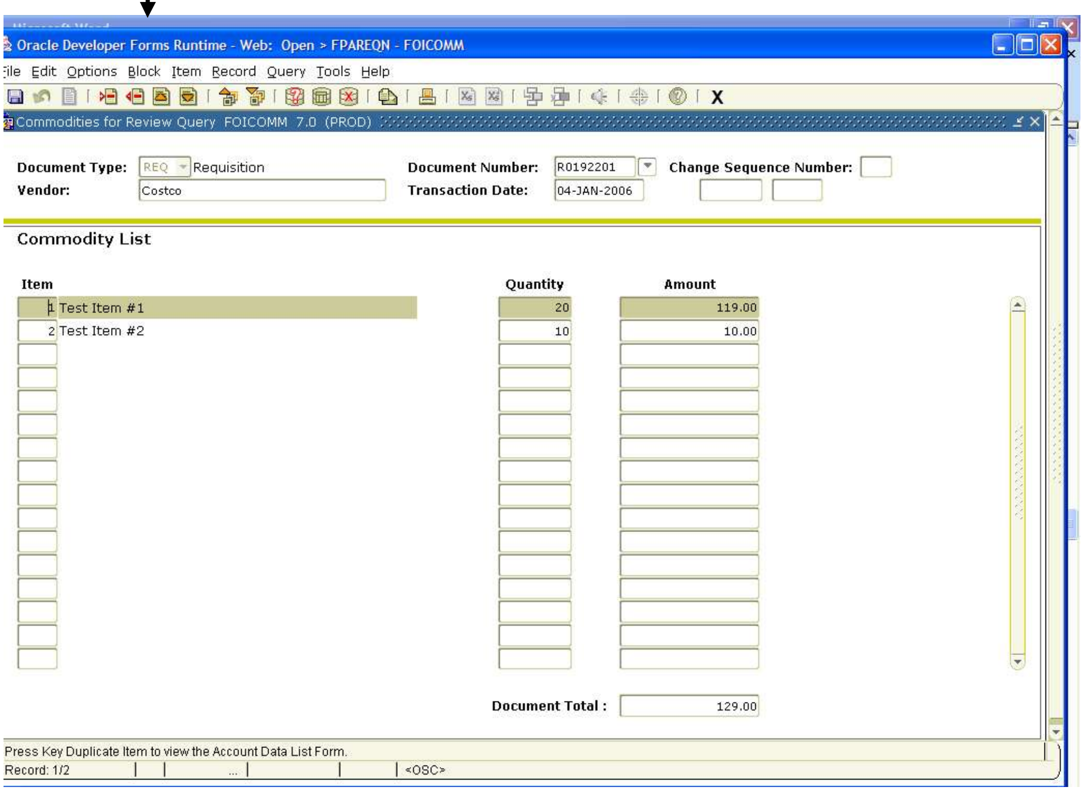


Take note that these two lines of accounting are only for the <u>first</u> item. (You can tell by whichever <u>commodity</u> line is highlighted).

*<Previous Block> = Ctrl + Pg Up

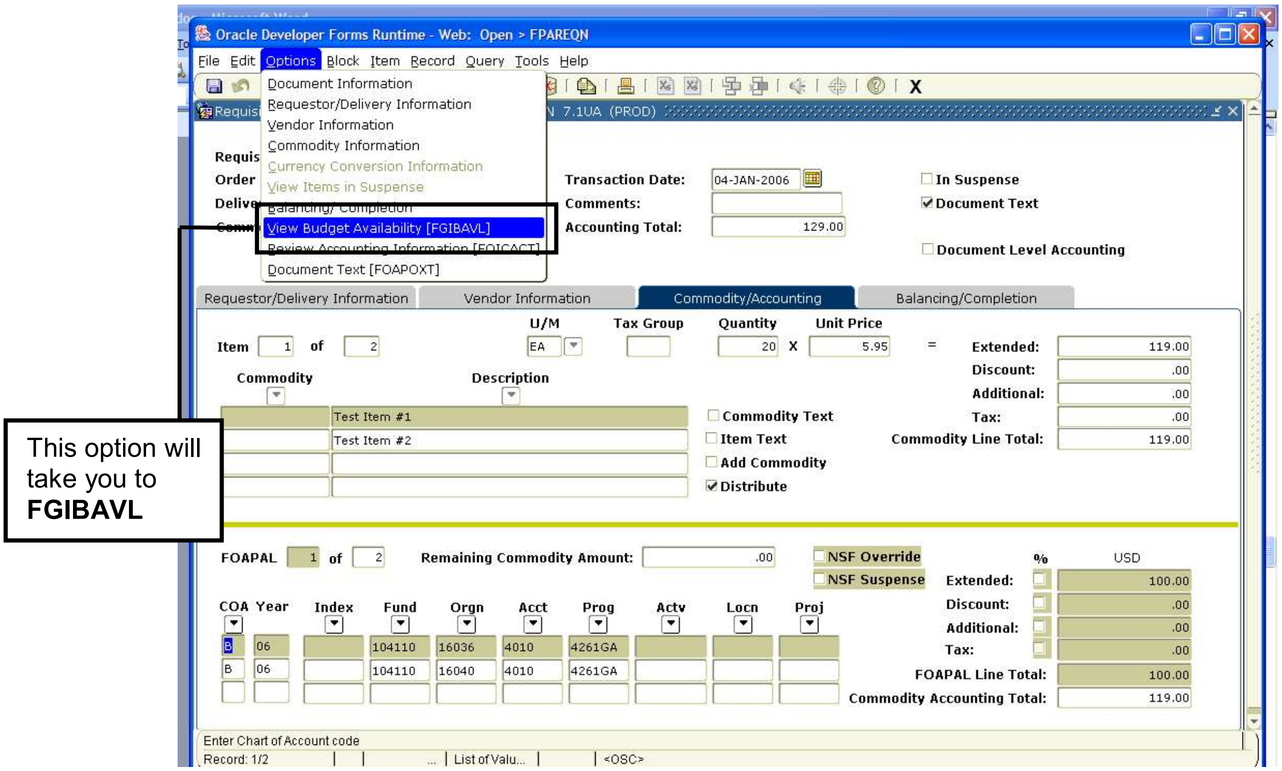
If you have more than 4 commodities, and you want to see them all at once, you can click on “Review Commodity Information” in the Options Menu, which will take you to the **FOICOMM** screen and show you up to eleven commodities at once.





Note:
This is a good screen to print, if you want a printed record of your requisition

When you're on the accounting information page, you can select "View Budget Availability" in the Options Menu, which will take you to the FGIBAVL screen to see exactly how much money you have left to spend in the selected Fund/Org.

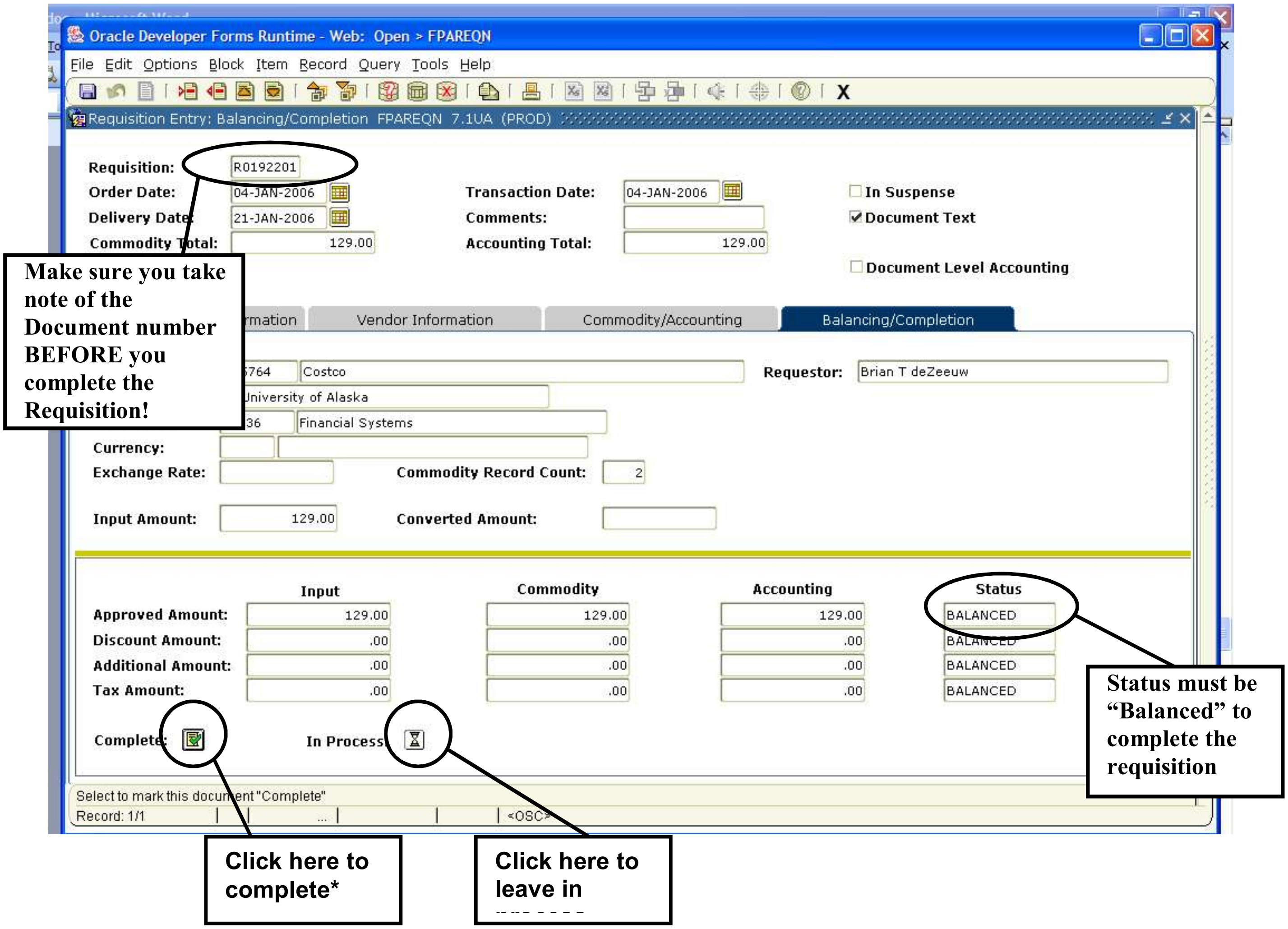


When finished inputting all the commodities and accounting information, press <Next Block> to get to the Completion Page.

To complete your requisition, click on the green "Complete" icon, and your requisition will be forwarded to Procurement. Your requisition will go into a queue and Procurement will pick it up automatically. There is no need to send a print screen of the requisition or contact Procurement to let them know it's there.

If your requisition is being charged to a grant, then *do not* complete it. Click on the "In Process" icon, which saves it, but doesn't complete it, and inform Grants & Contracts of the requisition number, and they will complete it.

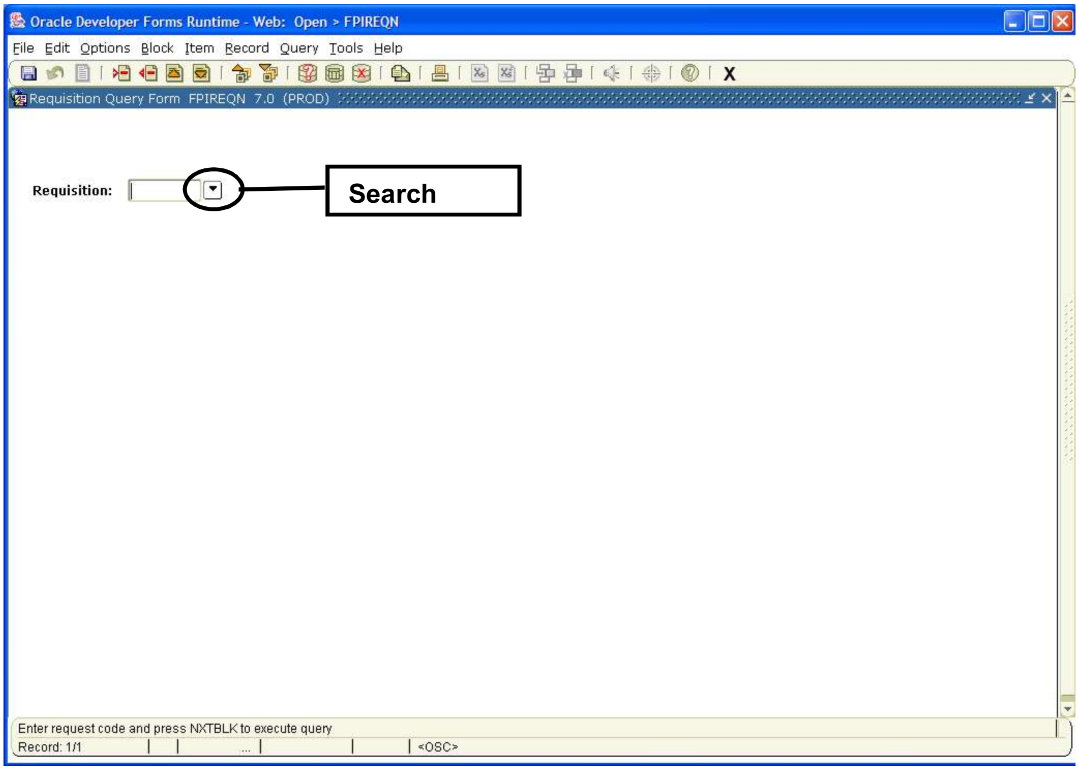
If you wish to Save the Requisition, but not complete it, then click on the "In Process" icon.



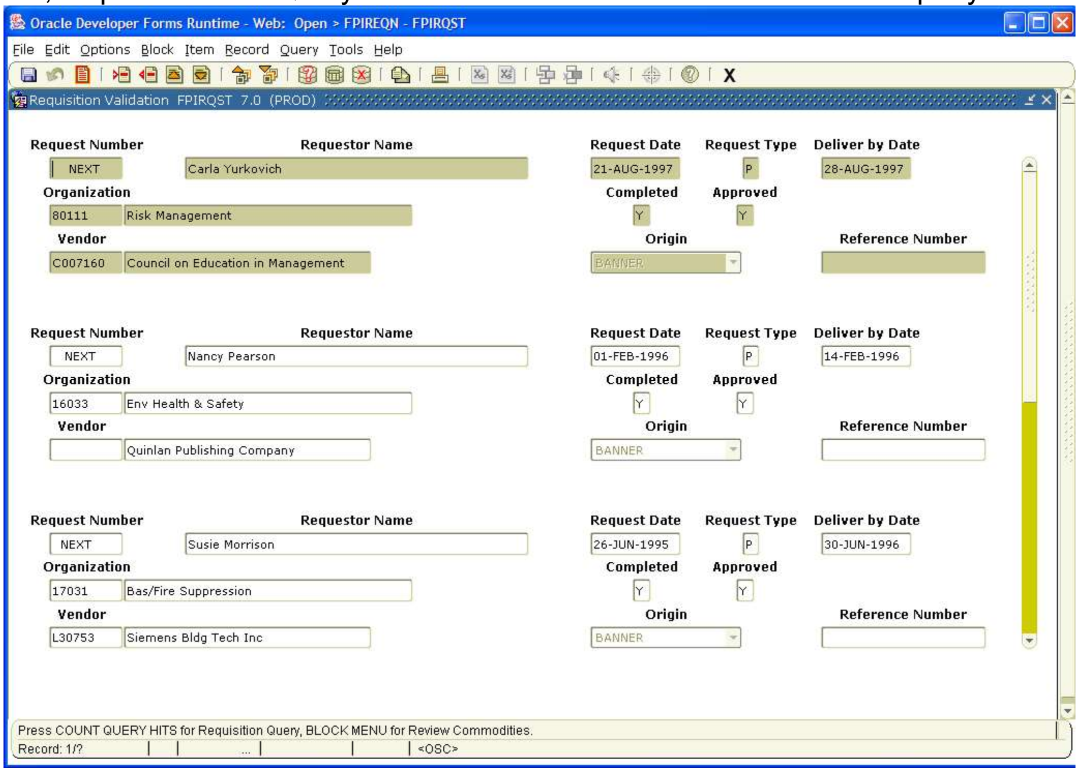
***NOTE:**
It’s important to remember that unless you <u>complete</u> a requisition, it will just sit there and encumber money from your account, but it will <u>not</u> go to Procurement, and will automatically be deleted by Statewide in about 30 days! Make sure you do not leave any requisitions incomplete, unless they are funded by a grant or restricted fund.

Appendix A:
-Searching for Requisitions-

If you need to find a requisition number in Banner, or have just completed a requisition and forgot to write the number down, then go to **FPIREQN** and click on the search icon to enter the search screen.



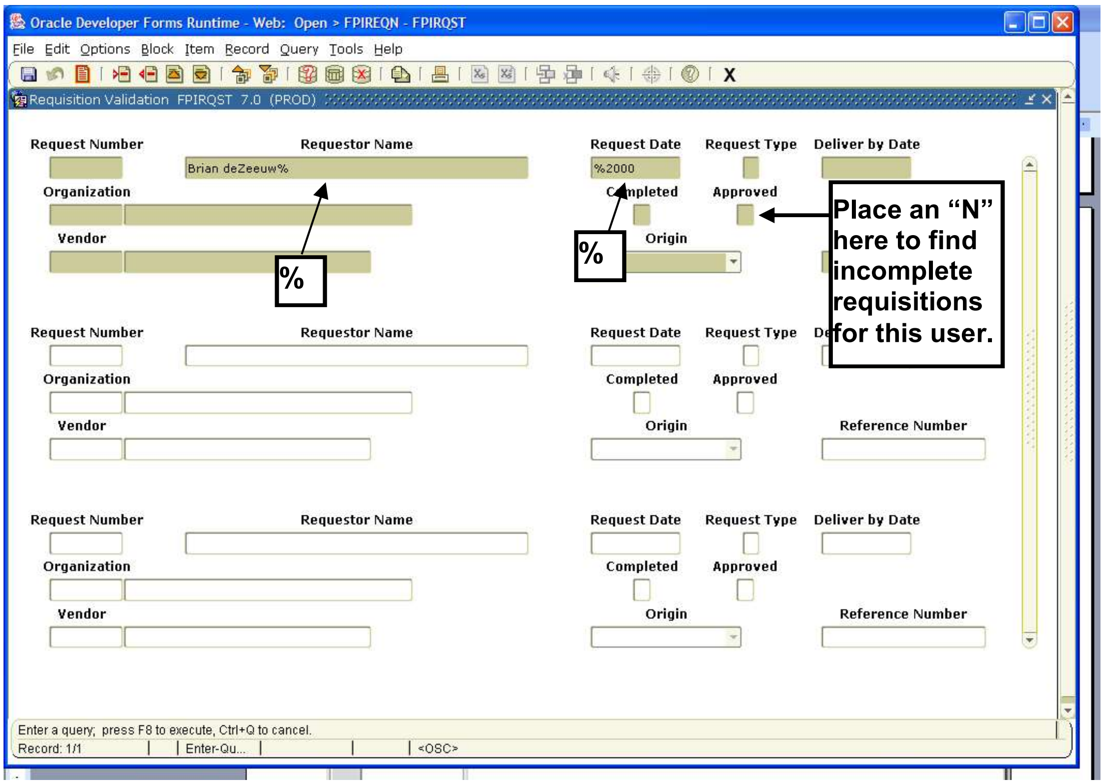
The requisition search screen looks quite a bit different from most Banner search screens, but it works in exactly the same manner. When you get to this screen, it is by default already populated, so press <Enter Query>* to clear out the screen and enter a new query.



When you press <Enter Query>, the screen will clear out. Enter whatever search parameters you wish, and press <Execute Query>*.

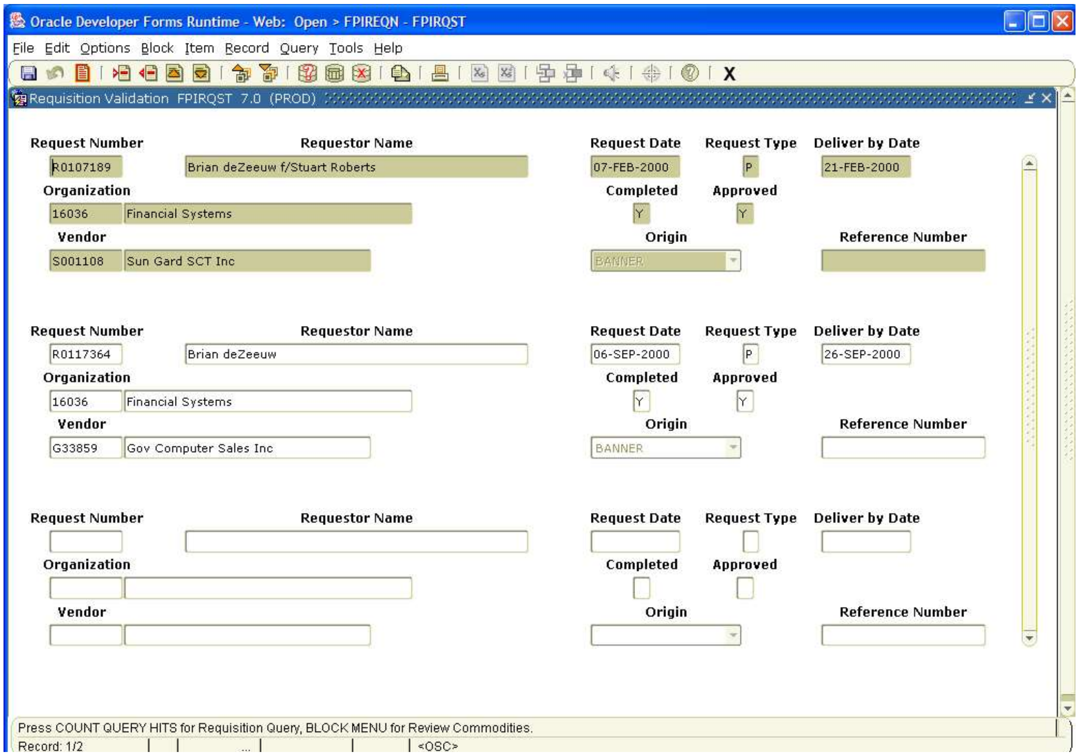
The query below will find any requisitions done by Brian deZeeuw, in the calendar year 2000. Note the use of wildcards (the percentage sign). If you wanted to just find *incomplete* requisitions, then put an "N" in the "Completed" and/or "Approved" box.

Keep in mind that any query you enter on this page **IS** case sensitive.

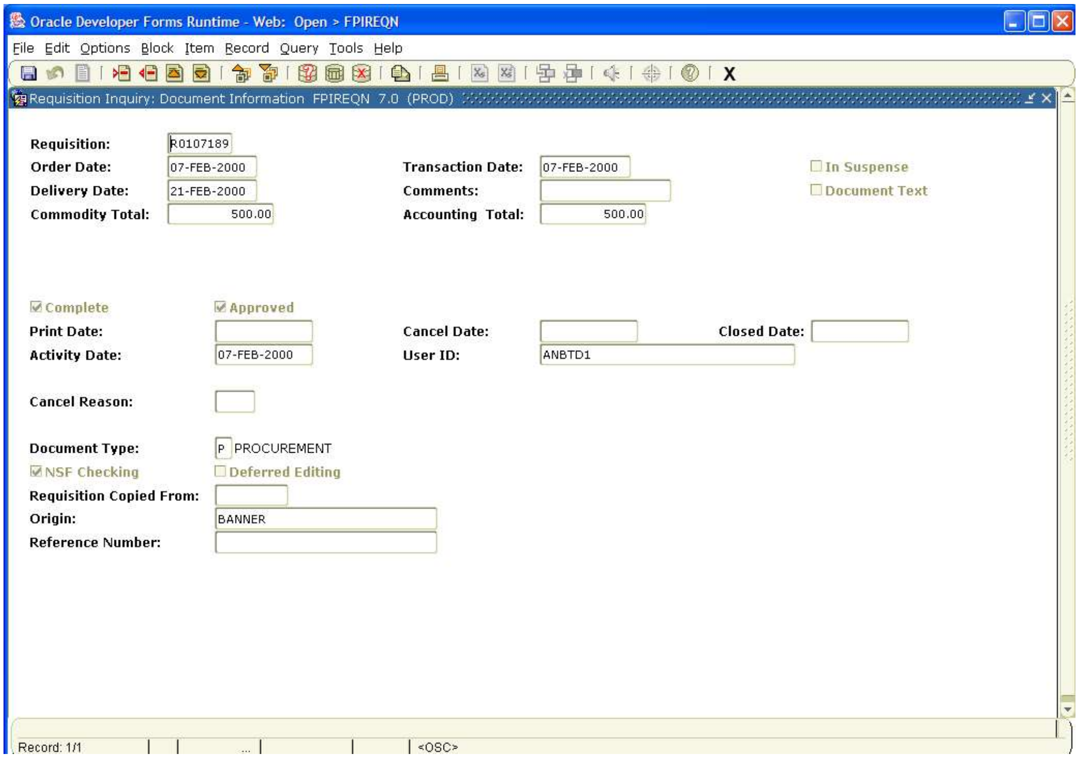


***<Execute Query> = F8**

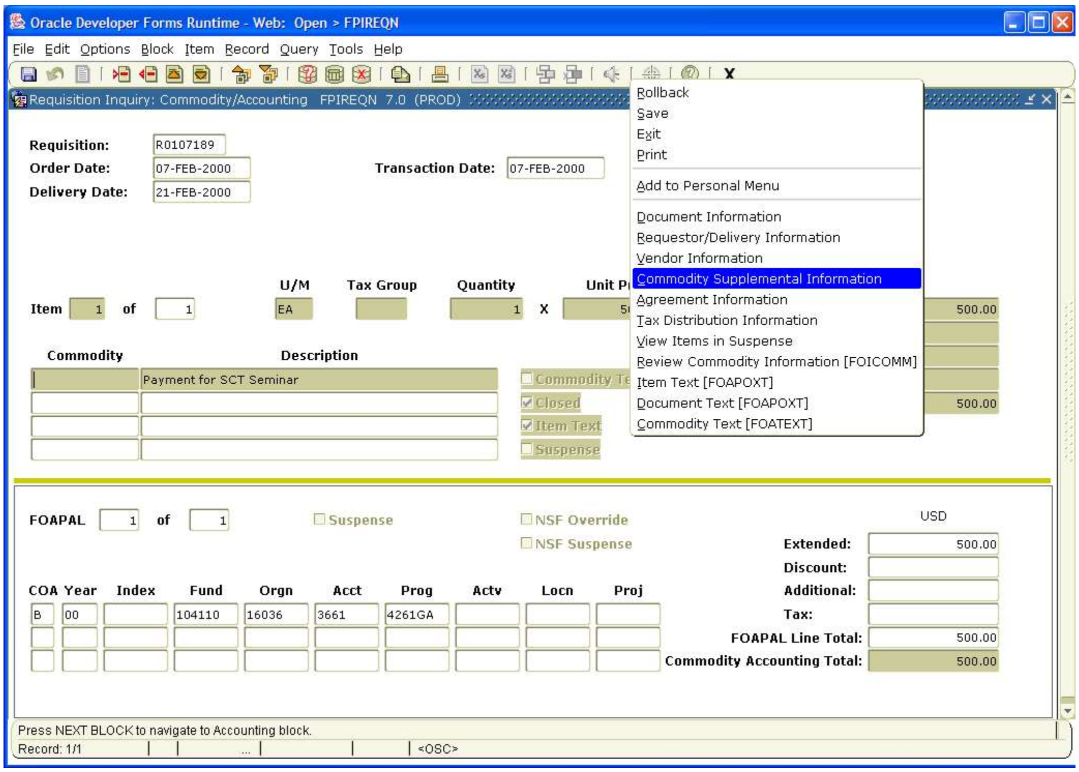
This query returned two results:

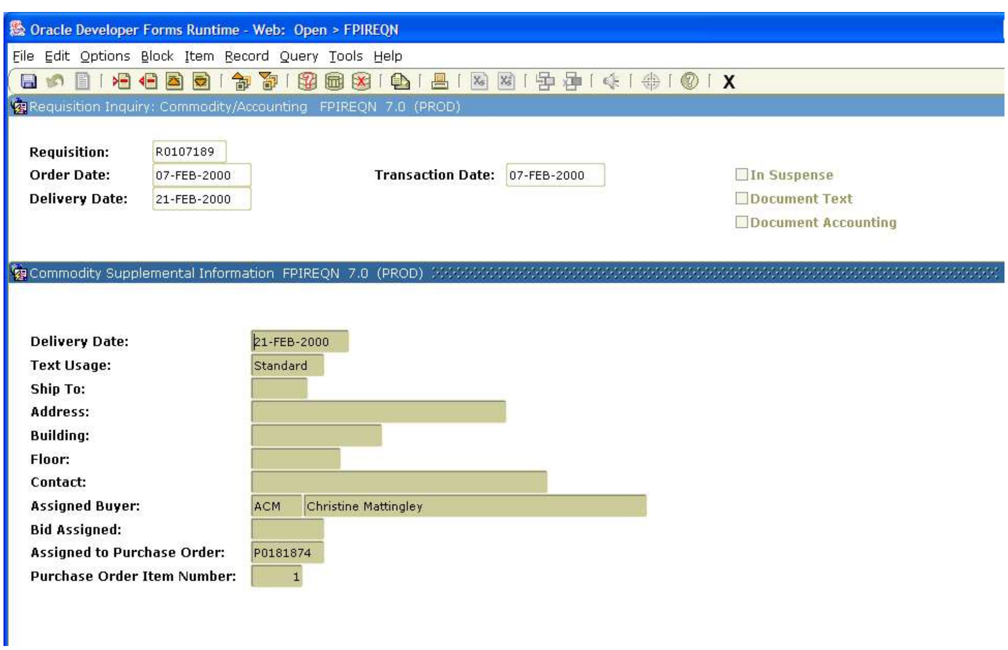


When you select the requisition that you wish to view, you will be able to look at the entire requisition, but you will not be able to make any changes to it.



If you navigate to the Commodity Page, and select “Commodity Supplemental Information” from the Options Menu, you can see what buyer is assigned to this requisition.



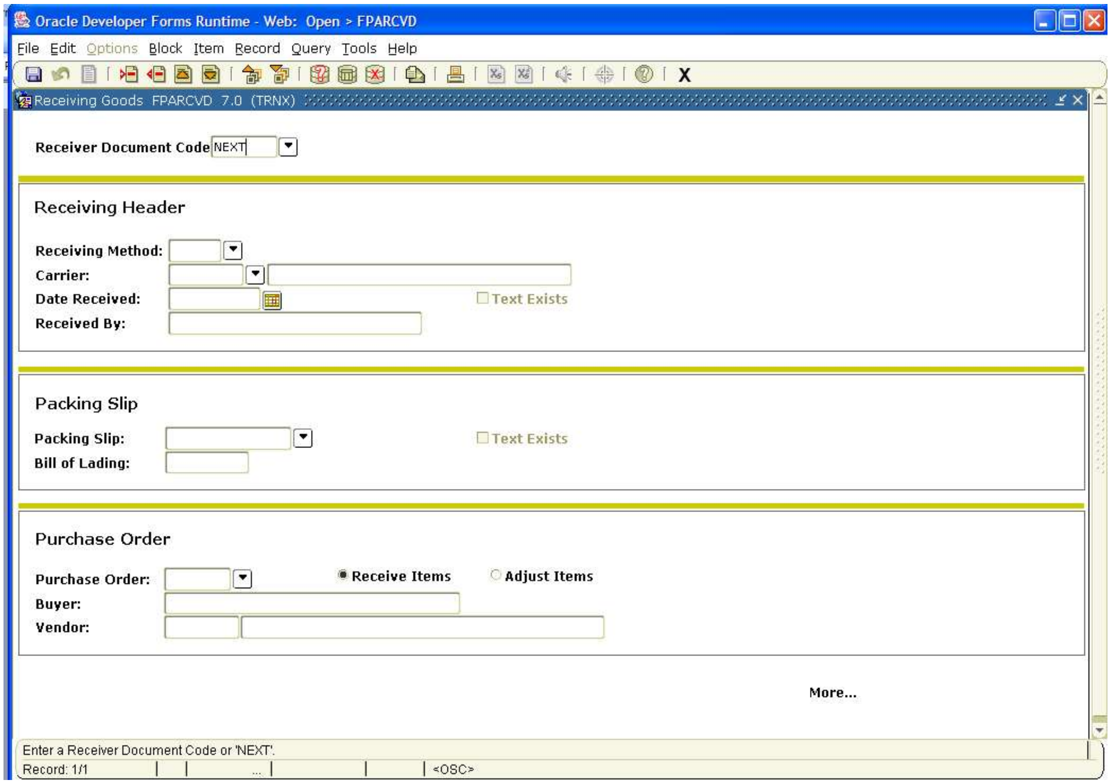


Purchasing, Part Two
-Receiving-

Receiving in Banner should only be done when requested by Accounts Payable.

Once it's established that receiving needs to be done, go to form **FPARCVD**.

Type "Next" and press <Next Block>. Banner will immediately generate a receiver document number.

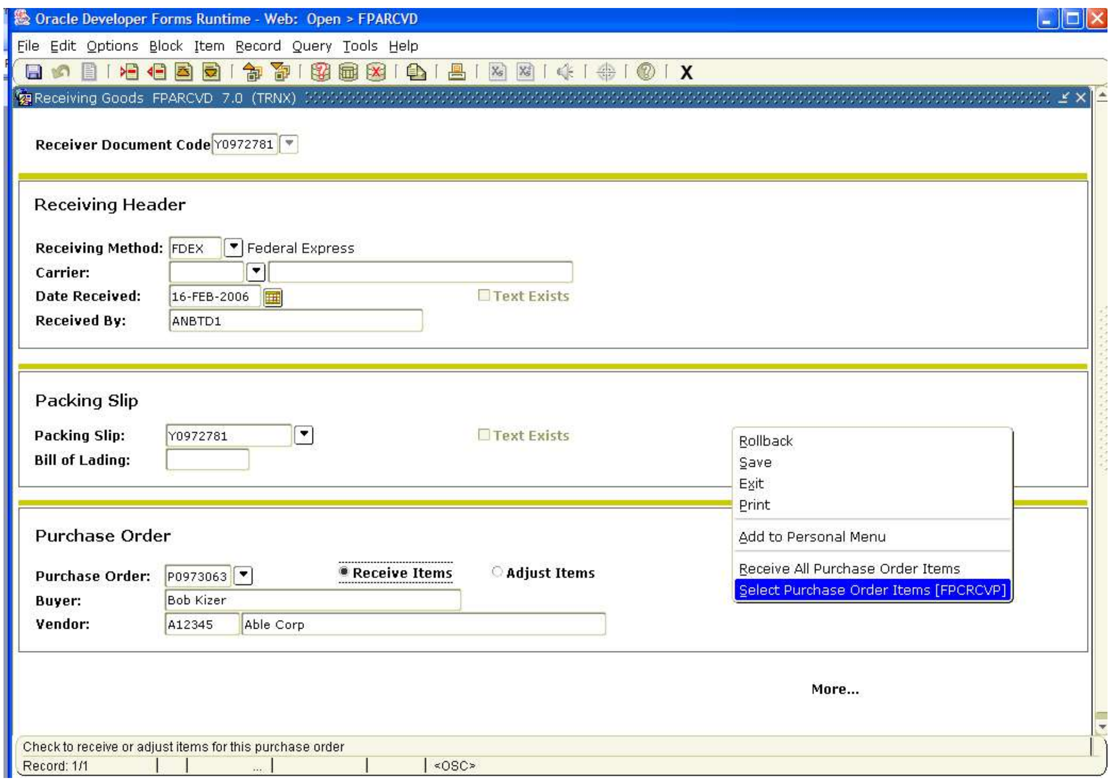


In Receiving Method, query on the field by double-clicking and select who shipped the merchandise. In the Carrier box, query on the field and select how the carrier shipped the merchandise. For instance, if you selected "Post Office" in the method field, you would select "First Class" or "Parcel Post" or however the Post Office shipped the merchandise. Press <Next Block> to proceed.

If the shipper provided a packing slip number, type it in the Packing Slip field. If they did not, then type the Receiver Document code (your "Y" number) in this field. It's important to have a unique number in this field, so if the packing slip number is very short (like "A123" or "23", etc) then just use the Receiver Code. Press <Next Block> to proceed.

Type in your Purchase Order number and <Tab> off this field to confirm the vendor.

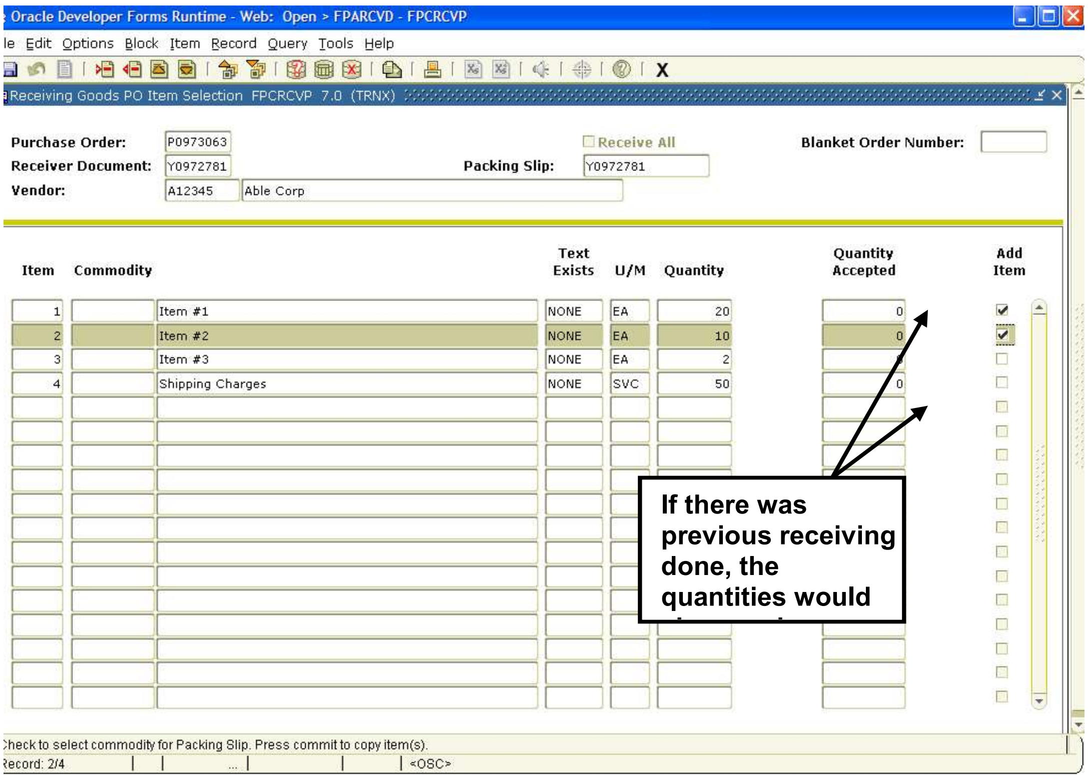
Even if you are receiving all the items for this purchase order, click on "Select Purchase Order Items" in the Options Menu.



Clicking on “Select Purchase Order Items” will take you to the Item Selection Form. Again you have the option of selecting “Receive All”, but do not check this box. Press <Next Block> and individually select each PO item you wish to receive. At this point you are selecting which items you wish to work on, *not* how many you are receiving.

In the example below, we’re going to be receiving *some or all* (we don’t know which yet) or the Rocks, the Clocks, and the Delivery Charges. We didn’t receive any of the Socks.

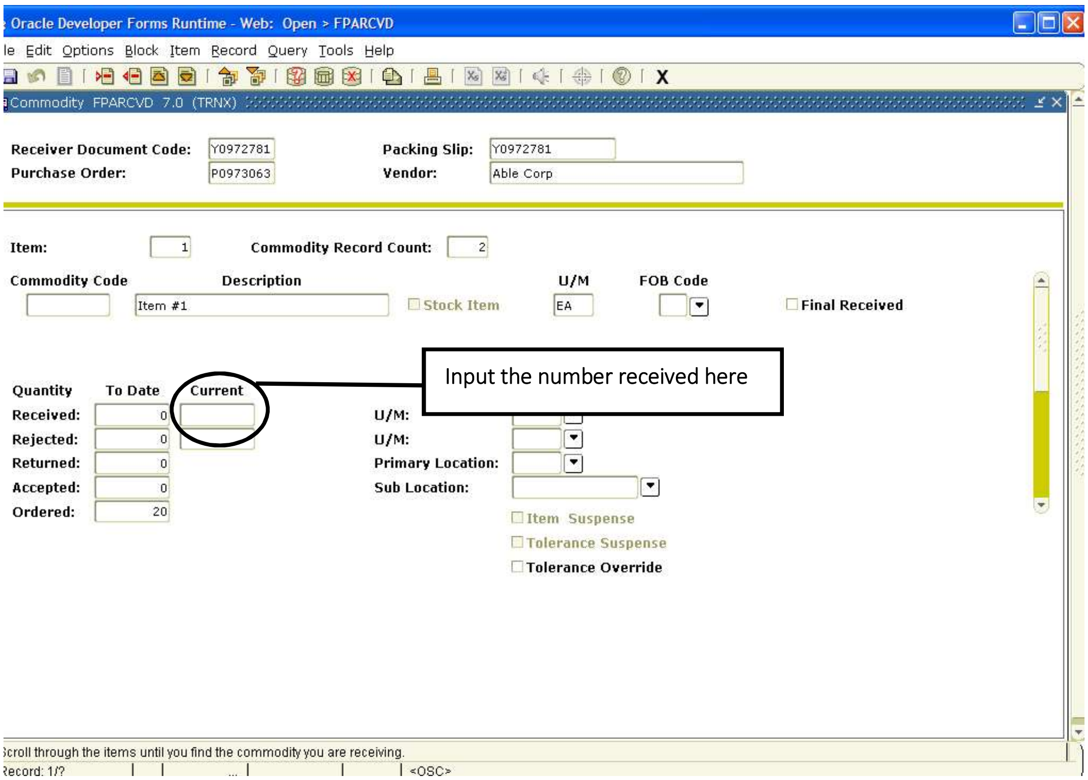
After selecting the items you wish to work on, press <Save>* and then <Exit>* this screen.



Exiting will take you back to the first page of the Receiving document. At this point press <Next Block> to proceed.

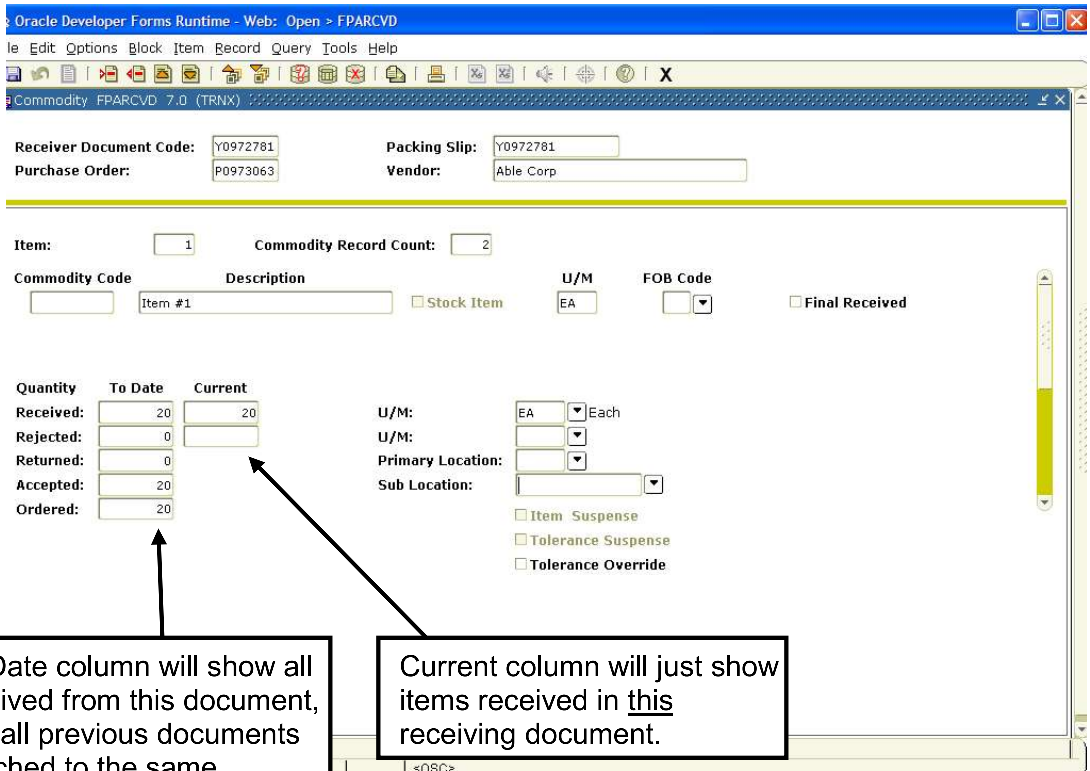
***<Save> = F10**
<Exit> Ctrl + Q

We now see the Commodity screen. It shows the first item that is to be received. <Tab> to the "Current Received" box and input the number you received. <Tab> back up to the first field (Item Number). Do not change the U/M (Unit-of-measure), when you <Tab> past it, it will fill in the default from the purchase order. Press <Next Record>* to proceed to the next item to be received.



***<Next Record> = Down Arrow**

After you have input all the items received, you can click on <Previous Record>* to review the items you have received. This will also update the “To Date” column. Press <Next Block> when done.



To Date column will show all received from this document, and all previous documents attached to the same Purchase Order.

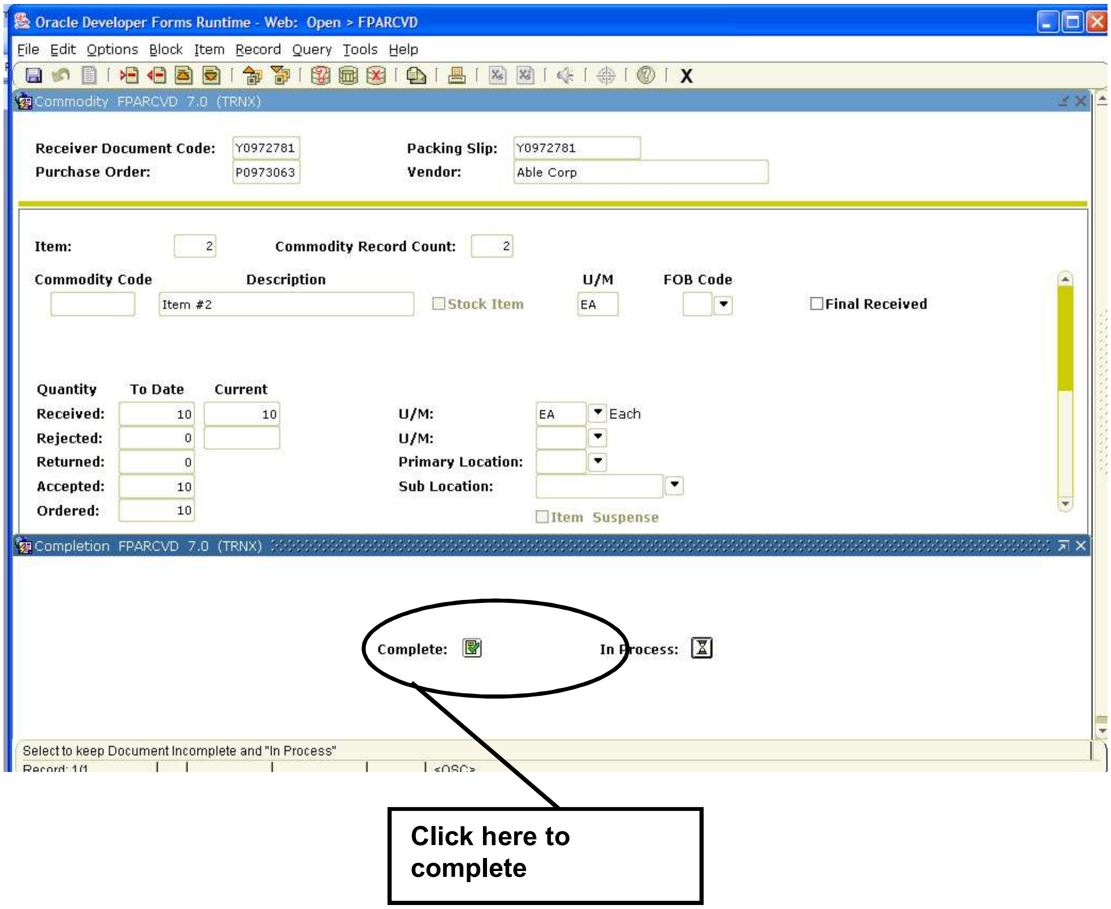
Current column will just show items received in <u>this</u> receiving document.

***<Previous Record> = Up Arrow**

If you have not already done so, at this point you should make note of the Receiver Document Code.

To complete this receiving, click on the “Complete” box.

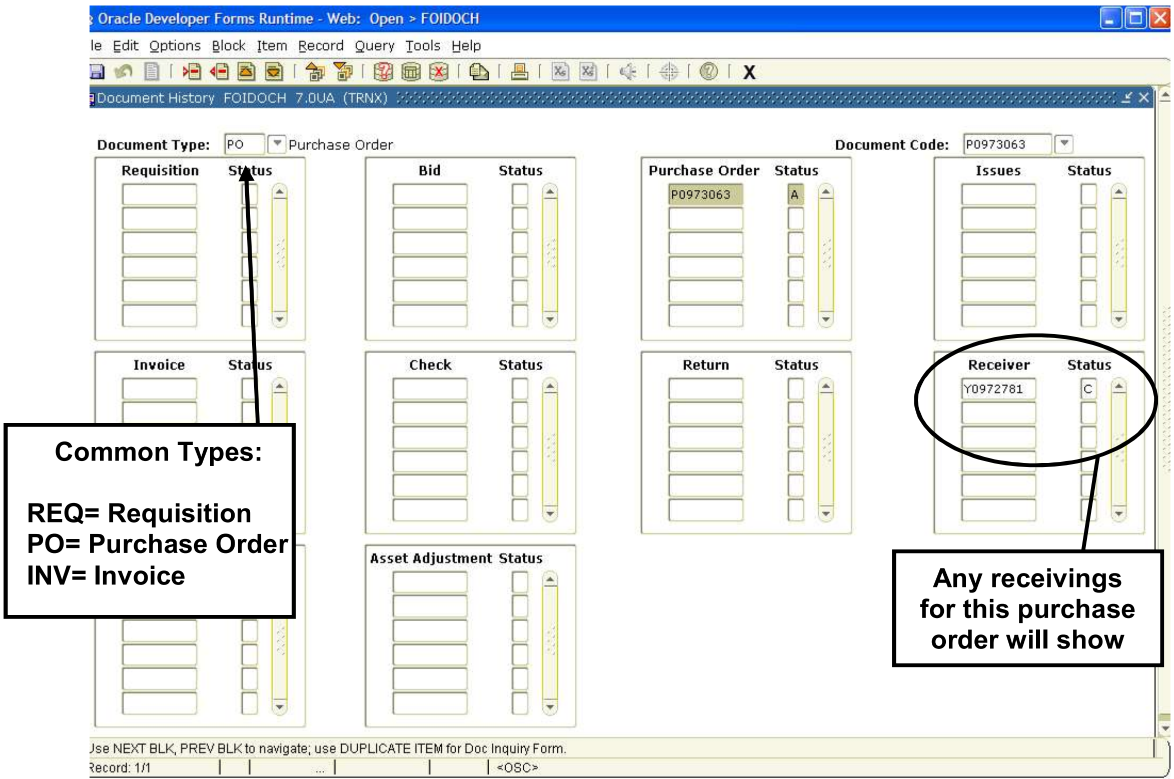
Do not leave receivings “In Process”! If you are still expecting more items from the purchase order, then complete a <u>*new*</u> receiving document for that.



After you have completed a receiving, you can check it on **FOIDOCH**, if you wish.

Input the type of document that you're looking for (the common abbreviations are REQ for Requisitions, PO for Purchase Orders or INV for Invoices-you may also double-click on the Doc Type field to see the list of all possible document types).

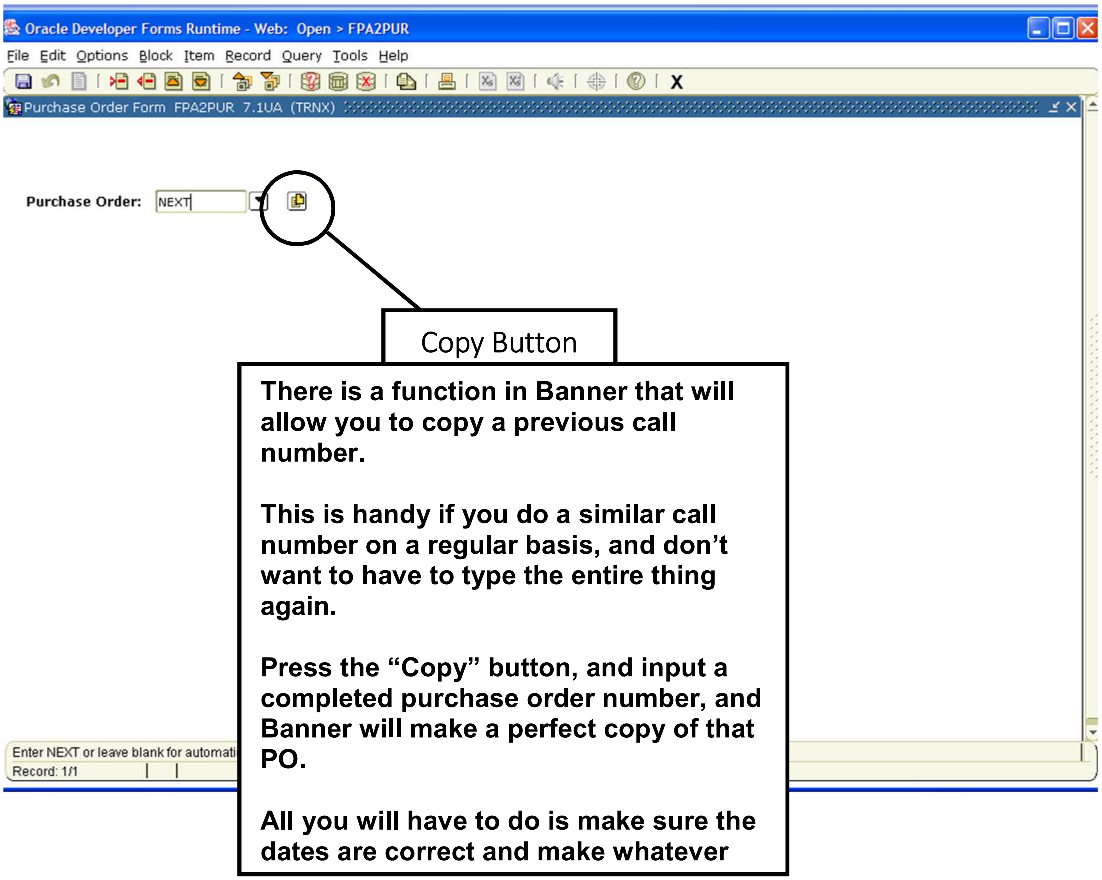
Input the document number in the Doc Code box and press <Next Block>*.



Purchasing, Part Three

-Blanket Purchase Orders-

To create a call number, go to **FPA2PUR** and type “Next” in the field. Make absolutely sure that “NEXT” is all that appears in the field and press <Next Block>*.



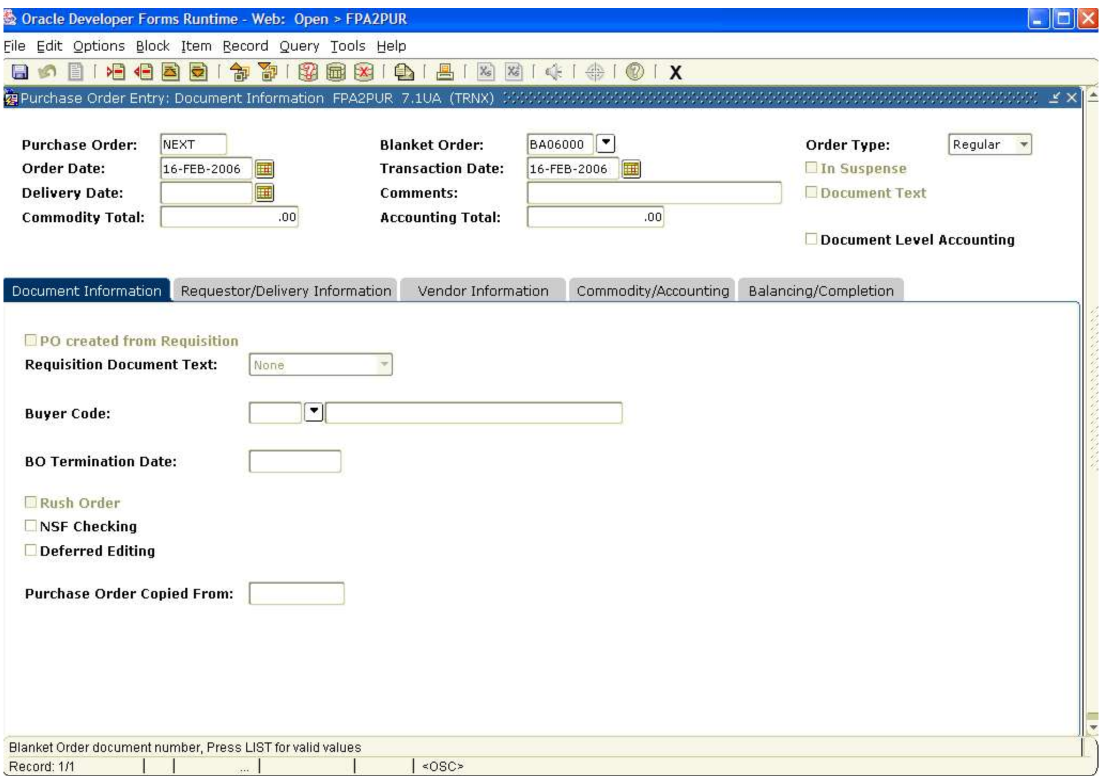
*<Next Block> = Ctrl + Pg Dn

Type in the Blanket Order that this call number will be attached to. A list of the current available blanket purchase orders can be found on Procurement Services website: **http://www.procurement.uaa.alaska.edu/** *Make sure you use a blanket order from the current fiscal year.*

Leave the Type as “Regular”

Type over the Order Date with the current date. Transaction date will default to the current date-leave this as is.

Fill in the delivery date.



Press <Next Block> to continue to the next page.

Requestor will default to your name-leave as is, even though you can add who you're ordering it for, if you wish (a good way to keep track of what purchase is for who).

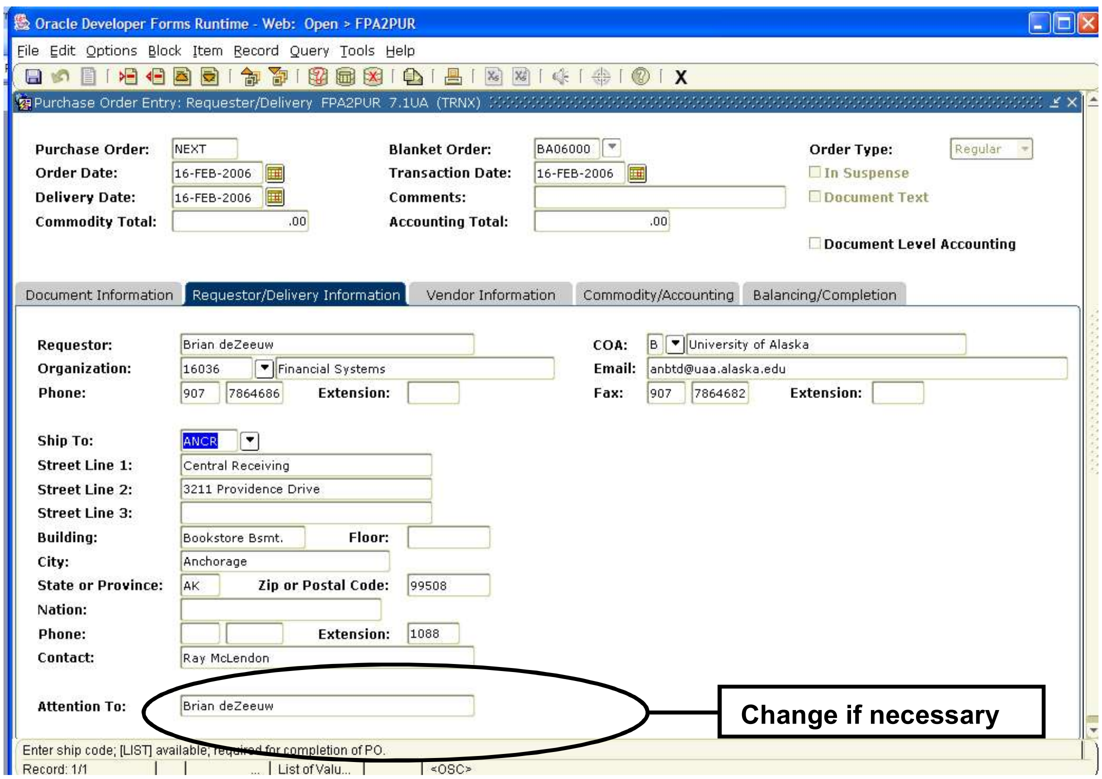
COA will default to "B"-leave as is.

Fill in your 5-digit Org code (required for completion, but not who the merchandise gets charged to-this is just used to fill out some defaults further on in the form).

Fill in your e-mail address, phone number, and fax number. This is for the vendor to get in touch with you if they have a question about the order.

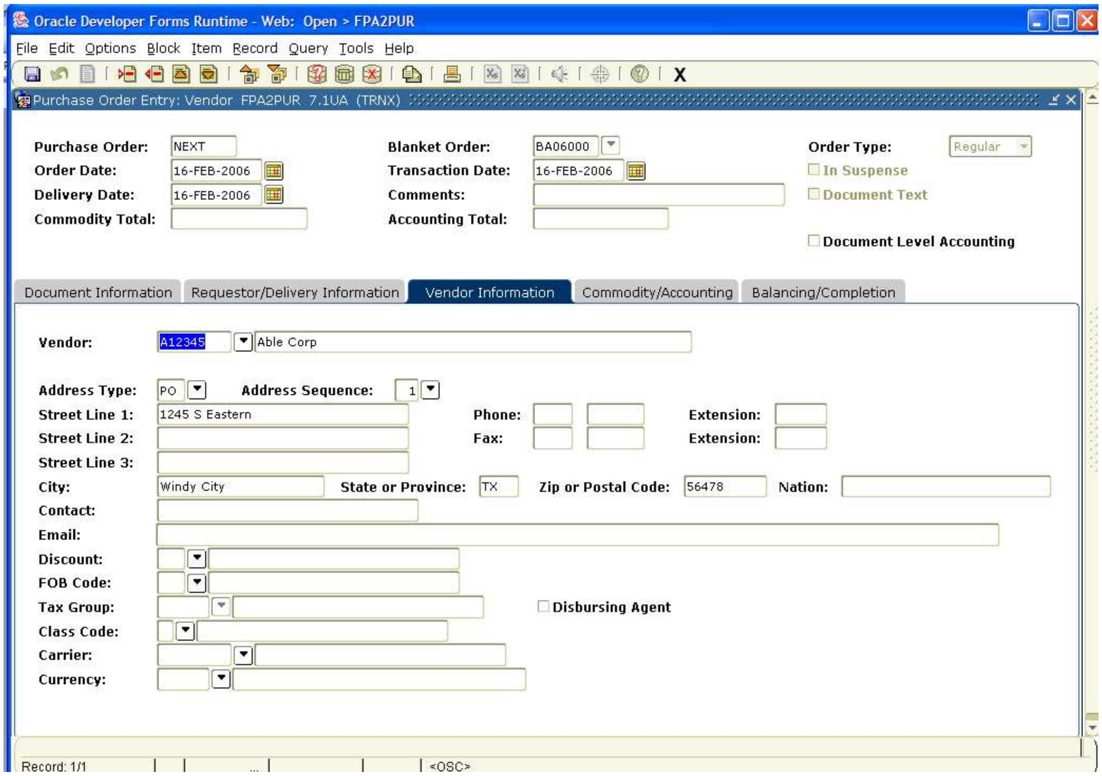
Ship to address is now required in Banner. If you don't know your ship-to code, you can click on the "search" icon and find your department code. Note: all Anchorage departments will start with "AN". *Note: this may default, but it can be changed to another department.* You can also use "ANCR", which stands for Central Receiving.

"Attention to:" will default, but you can type over this if incorrect.



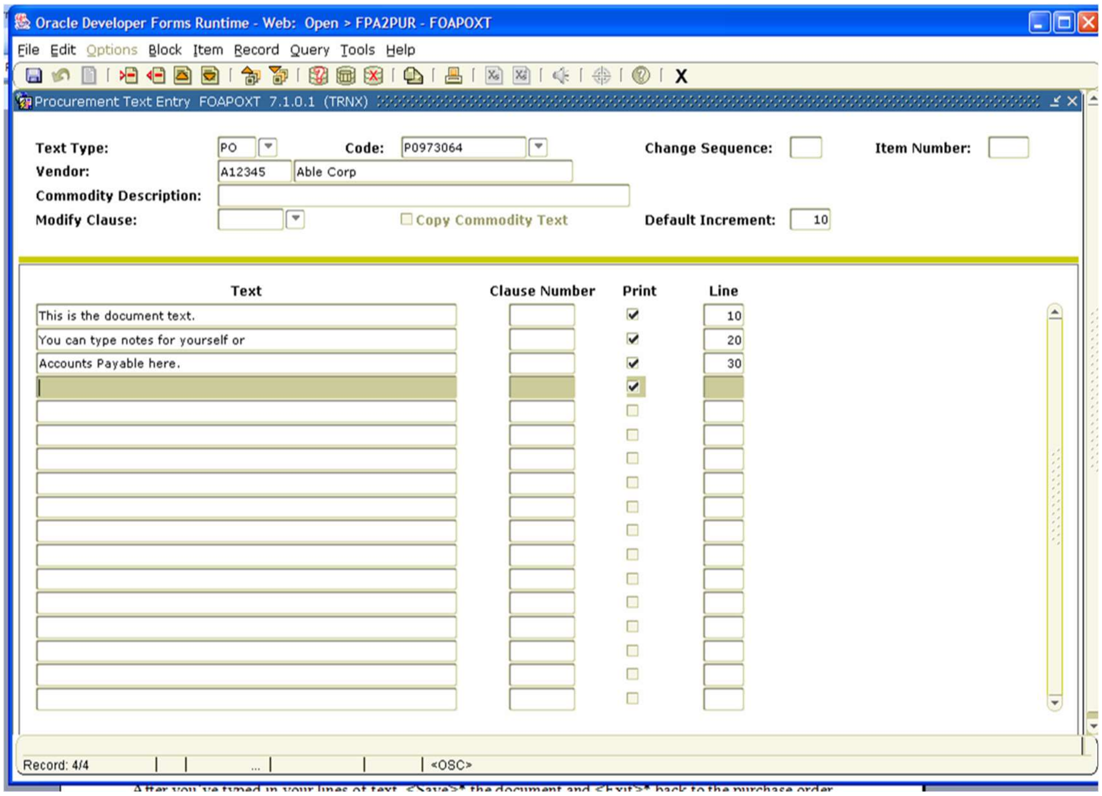
Press <Next Block> to continue to the next page.

The vendor should default on this page. The only thing you would add here is the contact person and/or e-mail address.



If you need to add any notes, click on “Document Text” in the Options Menu.

To add Document Text, click on it in the Options Menu, which will take you to **FOAPOXT**. Press <Next Block> and type in your first line of text. When you get to the end of the line (the cursor will stop about halfway through the text block) press <Next Record>* to get to the next line, as the cursor will not automatically wrap.



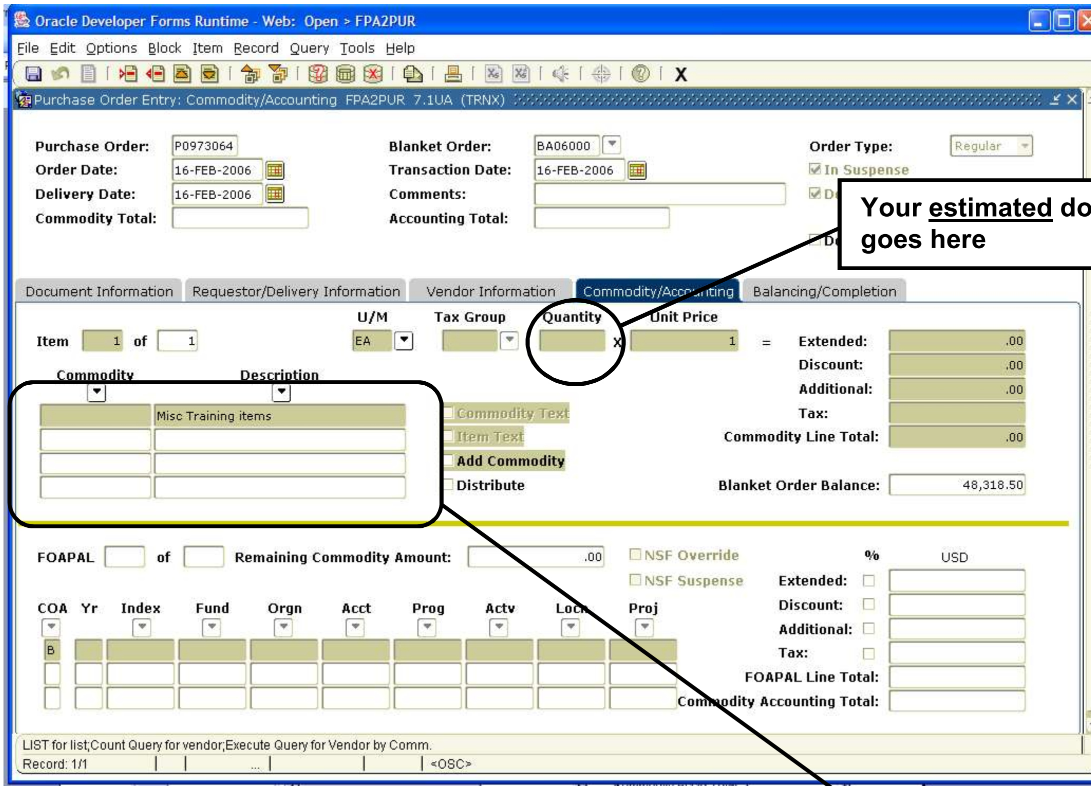
After you've typed in your lines of text, <Save>* the document and <Exit>* back to the purchase order form.

Press <Next Block> to continue to the next page.

*<Next Record> = Down Arrow
<Save> = F10
<Exit> = Ctrl + q

At the Commodity screen, <Tab> to the quantity field and enter the estimated dollar amount for your purchase order.

Important! Do not change the description and do not add another item.



Your estimated dollar amount goes here

Press <Next Block> to go to the Accounting information page.

Make sure that you DO NOT change the description of item #1 and you DO NOT add another item!

If you do either of these, your Call Number will not take money away from the Blanket Purchase Order, and Accounts Payable will have to manually fix it at a later date!

The Chart of Accounts should default to a “B”-if not, then type “B” in the first field.

<TAB> off of the COA field and your default Fund and Orgn combination will fill in.

Leave the Index Field blank.

<Tab> to the Fund Field, and change it, if appropriate. Do the same for the Orgn Field.

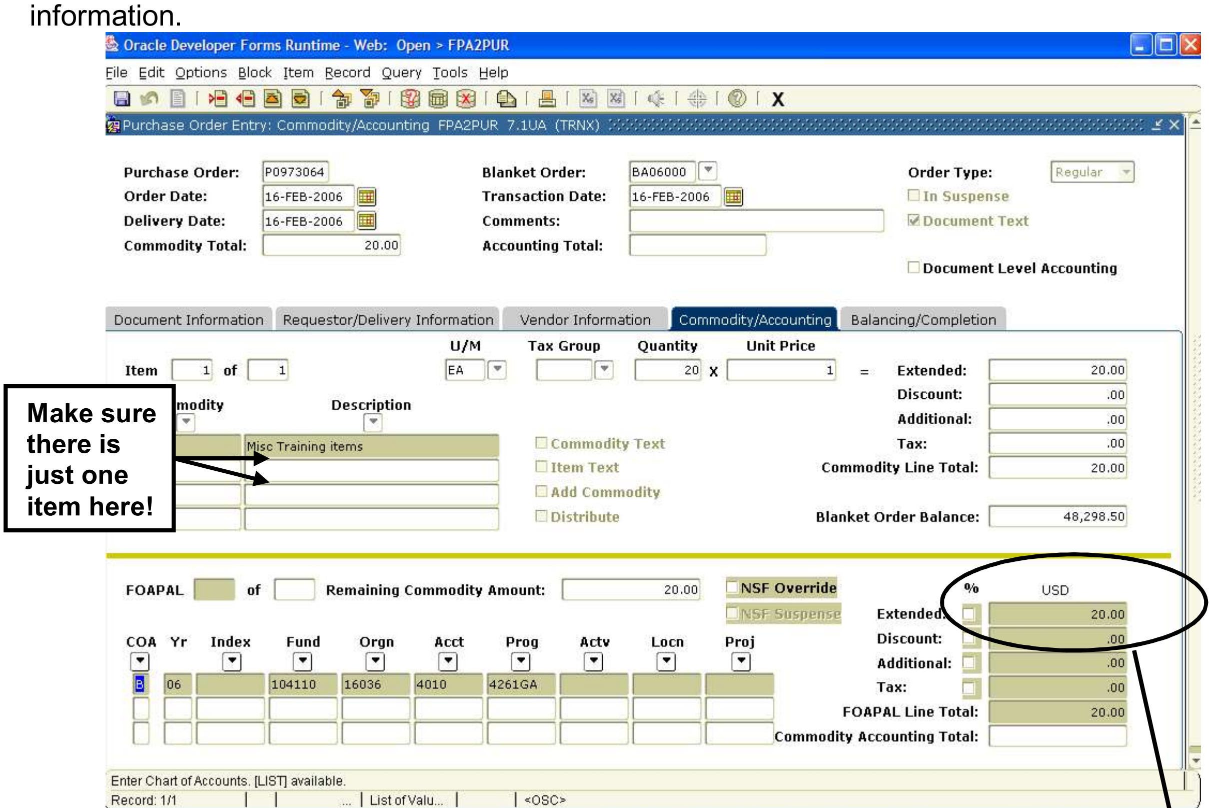
Input the correct account code in the Acct field. If you don’t know the appropriate account number, click on the “search” icon next to the Acct field.

The Prog number should default, based on what Orgn number you used. Retype if incorrect.

<Tab> until you get to the “Extended Amount field” (The Actv, Locn, and Proj fields are not used).

If the entire amount of the item you’re entering is to be charged to one account, then simply <Tab> past this field and the full amount will fill in for you. If you wish to *split* the accounting, then type the amount that is to be charged to the first account and <Tab> until you get back to the COA Field (the first field on this page).

If the accounting is to be split, then press <Next Record> and repeat the process with the second org/fund/acct combination, remembering to type in the dollar amount that is to be charged to the second line. Repeat this process for every additional line of accounting information.



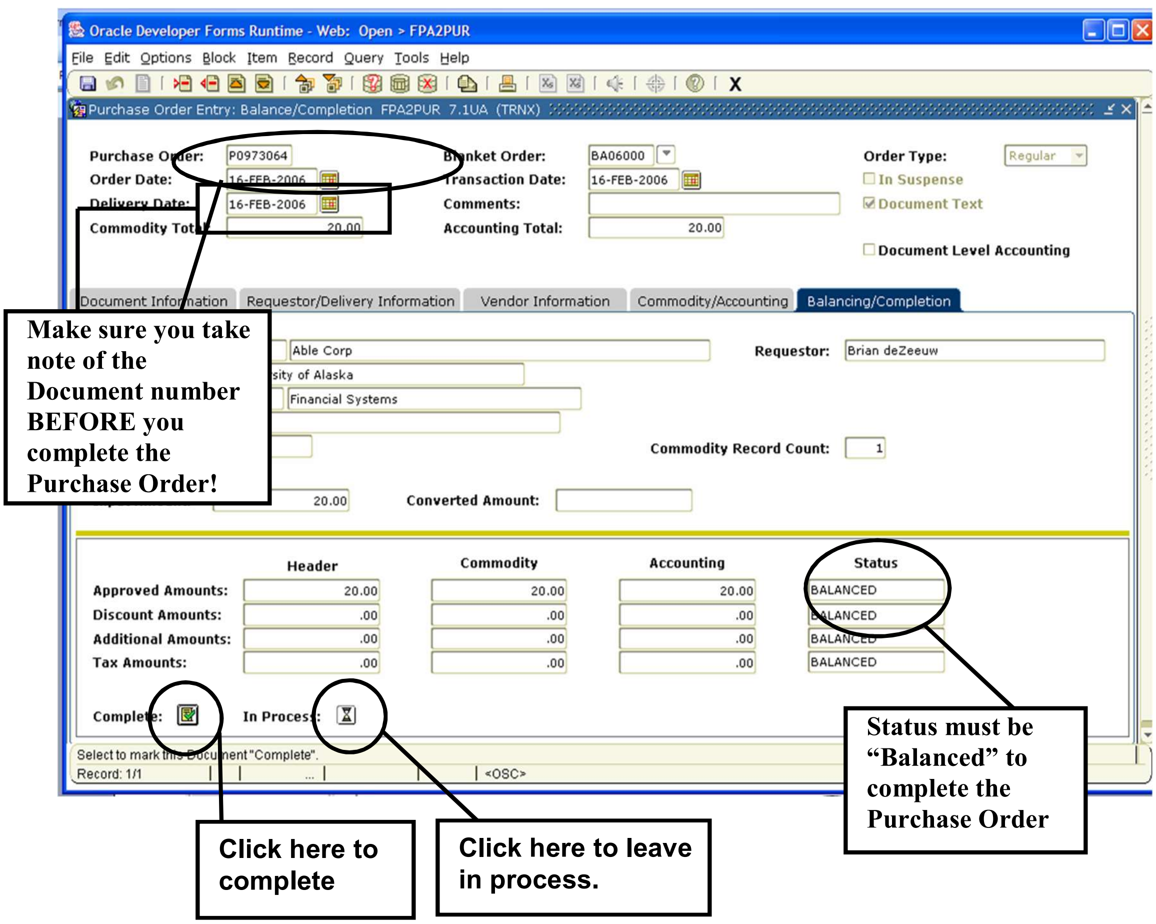
If you wish to split the accounting, type the amount to be charged to the first account/org here, then <Tab> to the Fund and press <Next Record> to put in the accounting line.

When finished inputting the accounting information, press <Next Block> to get to the Completion Page.

To complete your call number, click on the green “Complete” icon, and your call number will be forwarded to Procurement.

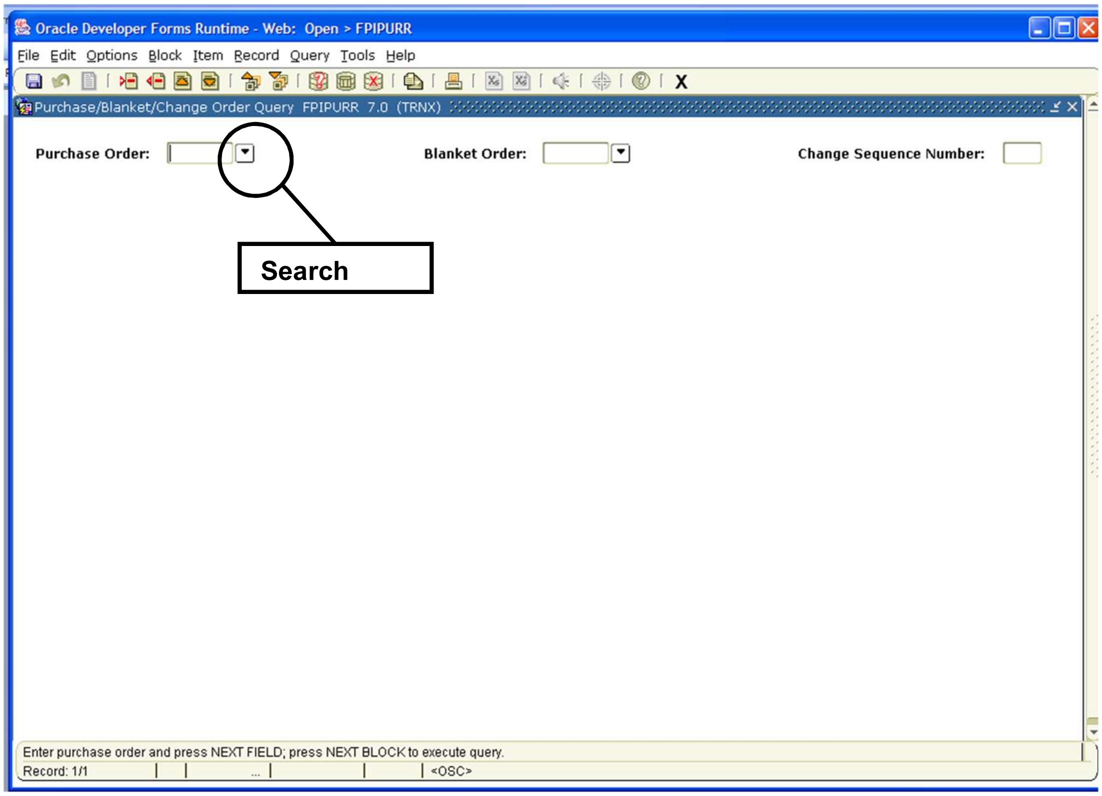
If your call number is being charged to a grant, then it goes (automatically) to Grants & Contracts, and they confirm that it applies to the specifics of the grant. If it does, they send it on to Procurement. If it does NOT, then they “un-complete” it, and send it back to you for correction.

If you wish to save the call number, but not complete it, then click on the “In Process” icon.



Appendix B:
-Searching for Purchase Orders-

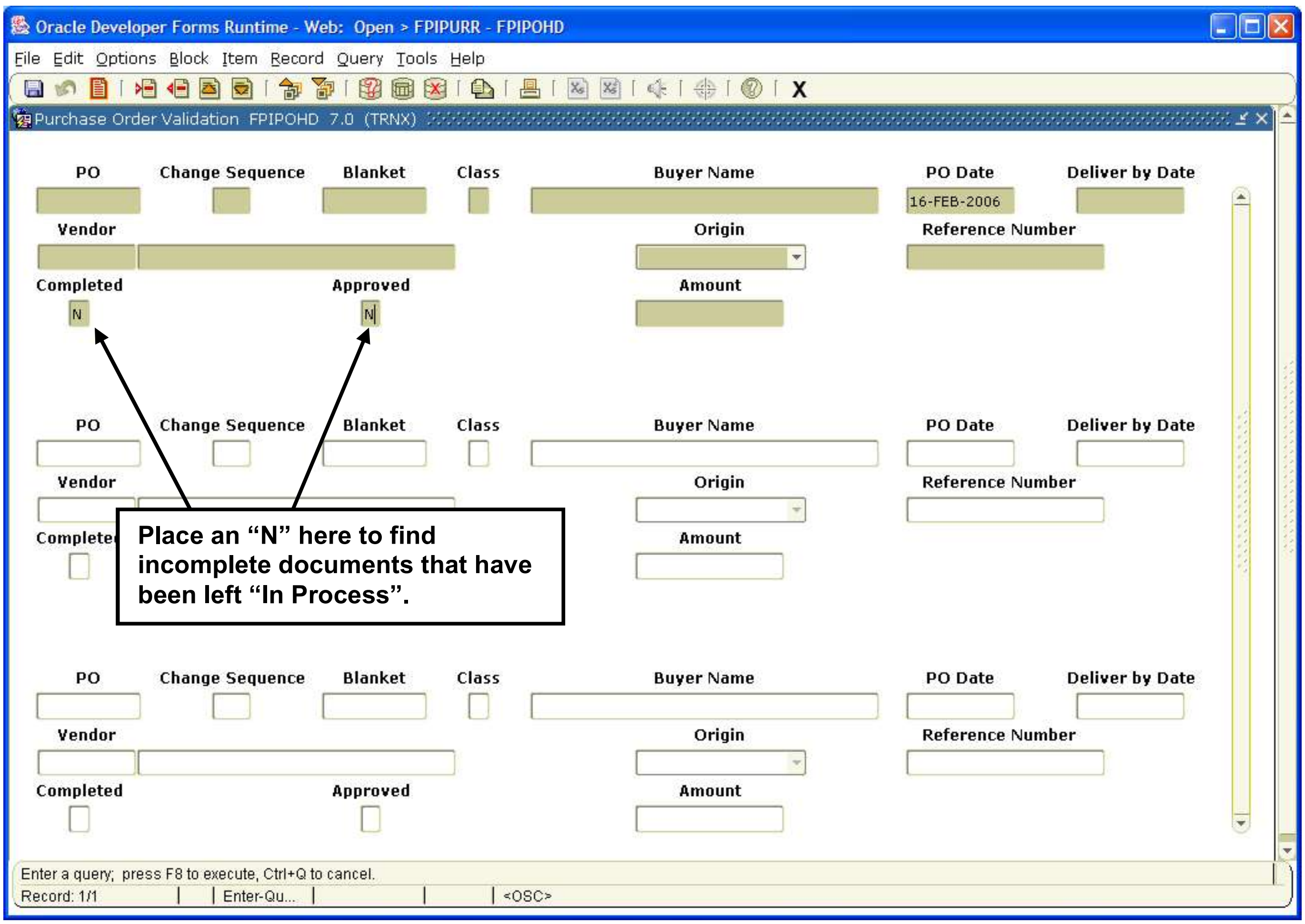
Querying for purchase orders or call numbers is a little more difficult than searching for requisitions, since there is no “Name” field to query on. The start of the procedure is the same, however. Go to **FPIPURR** and click on the Search icon to begin your query.



Unlike the Requisition search screen, the Purchase Order search screen is not already populated. Simply enter your search parameters and click on <Execute Query>*.

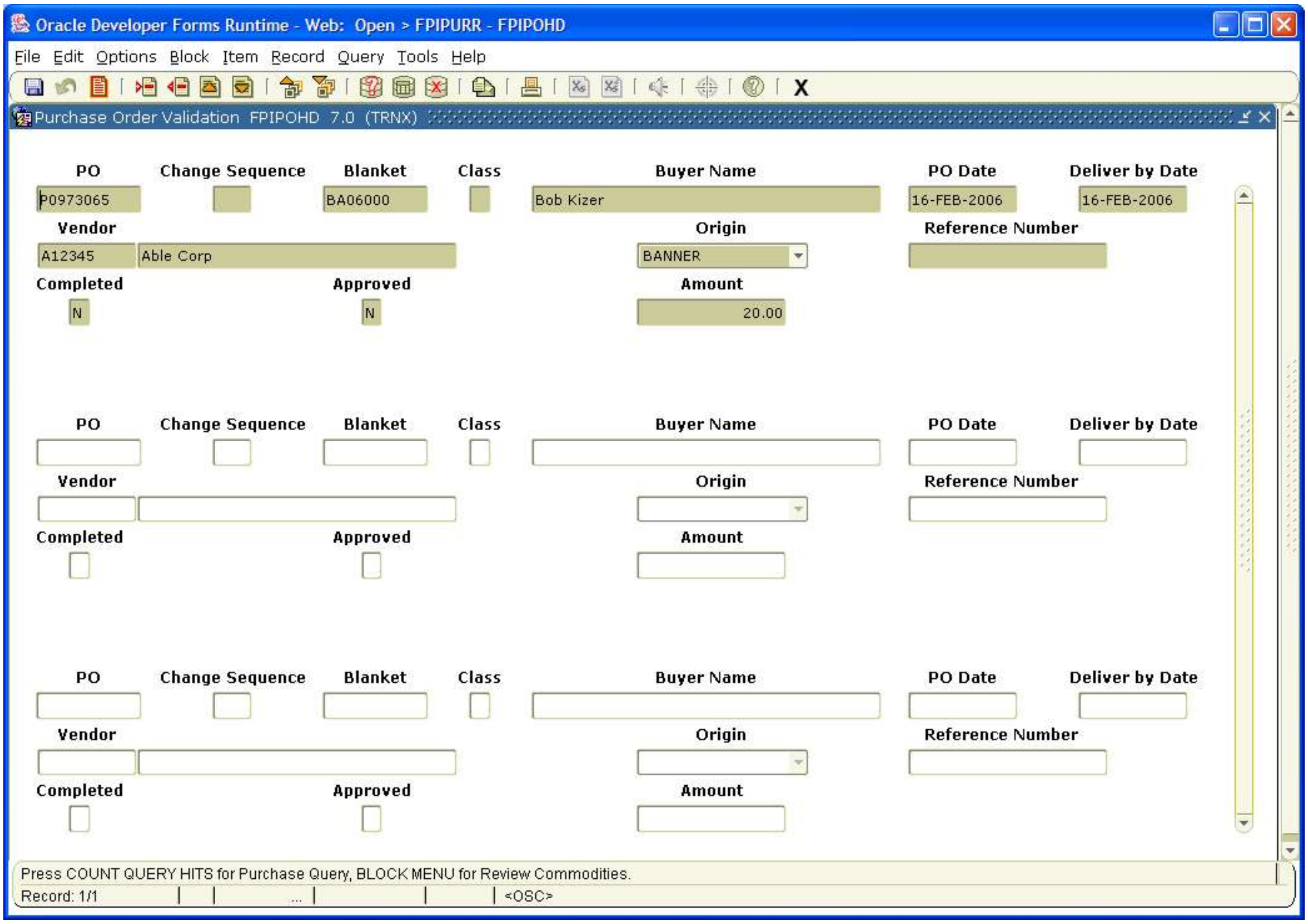
Since there is no "name" field in this search form , you will most likely wish to narrow your search by Vendor number or Date. You must enter the vendor *number*, not the name, so you'll have to have the vendor number handy. There are hundreds of purchase orders done every week throughout the University system, so try to enter as exact a date as possible. The query below will find all PO's that have a PO date of February 16th, 2006.

If you wished to find an *incomplete* purchase order or call number, then place an "N" in the "Completed" and/or "Approved" boxes (only for documents left "In Process").



***<Execute Query> = F8**

This query returned 1 result:



Purchasing, Part Four

-Limited Purchase Orders-

WHAT THEY ARE:

Limited Purchase Orders (LPOs) are somewhat like a blank check in that they are taken to a local business and filled out to purchase items totaling up to $2,500. There are restrictions, of course, and those are listed below under *what you can't use them for*. The org number, which will be billed for the purchase, is listed on the LPO. Once an LPO is signed by Procurement Services, it should be treated like a blank check and must be kept in a secure place.

WHERE YOU CAN USE THEM:

You can use an LPO at any local business that agrees to accept a Limited Purchase Order from the University of Alaska Anchorage. Many businesses are familiar with UAA's LPOs already.

WHAT YOU CAN USE THEM FOR:

LPOs are designed as a convenient method for University employees to "shop" for non-repetitive use in-stock items or same-day services not exceeding $2,500. LPOs may *only* be used at local vendors within the State of Alaska. Think of them as a "cash and carry" tool, meaning that you spend your LPO and pick up your merchandise at the same time. For example, a University employee performing field research or traveling on University business within the state may use an LPO for items required for his or her University business as long as the purchase is made "same day" and within Alaska. Although competition is not required, it is still expected that the best possible price be obtained and that no favoritism be shown in selecting suppliers.

FOOD PURCHASES are extremely sensitive. They are those purchases using the 3008, 3018, 4008, 4018 or 8115 object codes. Non-representational purchases are carefully monitored and must be pre-approved. You can not use an LPO to buy anything food related unless that purchase fits (and is approved) under one of the following object code numbers.

3008 Catering Special Events/Ceremonies (Must have Procurement pre-approval)
Expenditures for catering traditional and/or special ceremonies, convocations, or celebrations of importance to the campus for the public in accordance with the university guidelines on representational allowances. Such events are commencement activities, convocations, student honors, parents' day, etc. The cost of alcoholic beverages must not be charged to this object code.

4008 Food/Décor for Special Events (Must have Procurement pre-approval)
Expenditures for refreshments, floral, and other decorations for special or traditional public ceremonies, convocations, or celebrations of importance to the campus, in accordance with the university guidelines on representational allowance. Such events would include meals or receptions during commencement activities, convocations, student honors, parents' day, faculty ceremonies, etc. The cost of alcoholic beverages must not be charged to this object code.

8115 Representational Funds (Pre-approval process varies per school or college)
Discretionary business expenses which are generally not allowed under normal procurement procedures (restricted uses of appropriated funds.) Examples: Meals for recruitment candidates; gifts to foreign dignitaries; any activity providing hospitality, recreation, amusement, meals, or other service, benefit or commodity.

WHAT YOU CAN'T USE THEM FOR:

1. Purchasing capital equipment
2. Purchasing anything over $2,500. LPOs may <u>not</u> be combined for a single purchase.
3. Purchasing anything from an out-of-state vendor
4. Absolutely no "back-ordered" items
5. Personal items
6. Weapons
7. Hazardous materials or chemicals
8. Contract items from a non-contract vendor
9. Pharmaceuticals

HOW TO SPEND THEM:

The employee making the purchase is given the Three-copy LPO. Take the LPO to the business. Make your purchase of in-stock items, presenting the LPO as a means of payment. Fill in the vendor name and address. Fill in the items purchased – be specific as space allows. Verify that the amount charged on the LPO is correct. Sign at the bottom at "Signature of Purchaser". The clerk will process it and give you a receipt. The business should get the top, white, original LPO copy. Keep all the other copies and the receipt.

HOW TO PROCESS THEM AFTER THEY'RE SPENT:

1. First and foremost, have your department head sign the LPO.
2. Enter it into Banner on form **FGAENCB**, using the LPO number as the Banner "Document Number". See LPO Training Materials, or call Brian if you need assistance entering the transaction.
3. Pull the **pink** copy for your files.
4. Staple the original receipt or invoice to the canary copy of the LPO and take it to Accounts Payable. (Not to Procurement Services)

Accounts Payable will process the LPO, make payment. Procurement Services or Accounts Payable will conduct a post-audit of each LPO to ensure that it was used in accordance with University procurement regulations.

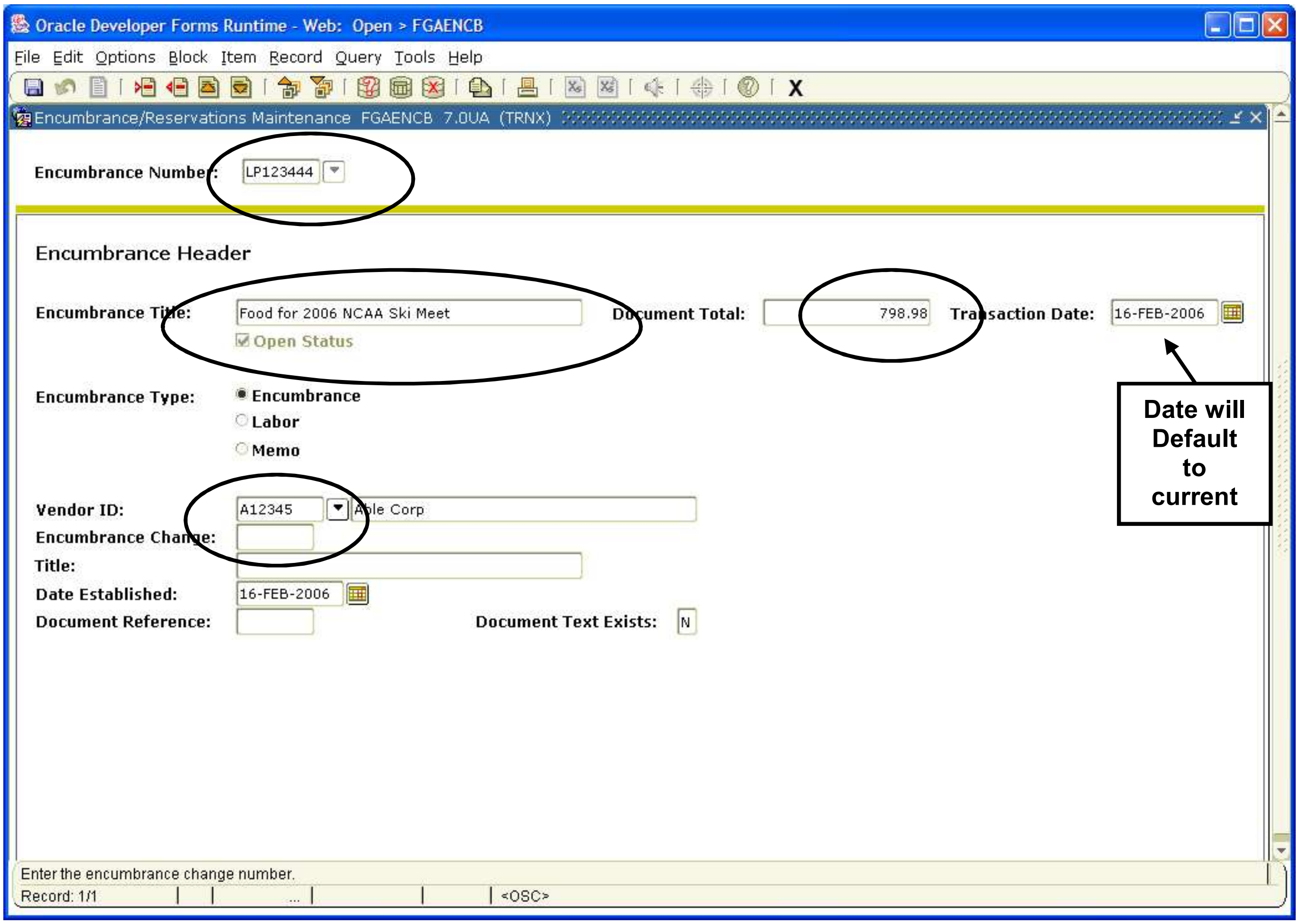
WARNING! University, State and Federal auditors routinely audit procurement Services functions. UAA must strictly conform to Alaska Statutes and other applicable guidelines. Please make sure you are using your LPOs correctly. If you have any questions about their proper usage, please call Procurement. Remember that LPO usage is a privilege. Misuse of LPOs can result in the department's privileges being suspended until completion of LPO training. Please use them carefully!

To enter an LPO into Banner, go to form **FGAENCB**. Type in the LPO number that is printed on your hardcopy, and press <Next Block>*.

In the Title field, type in a description of what you purchased, and type the dollar amount in the Total field. The date will default to the current date.

Type in the Vendor ID number and press <Next Block> to proceed.

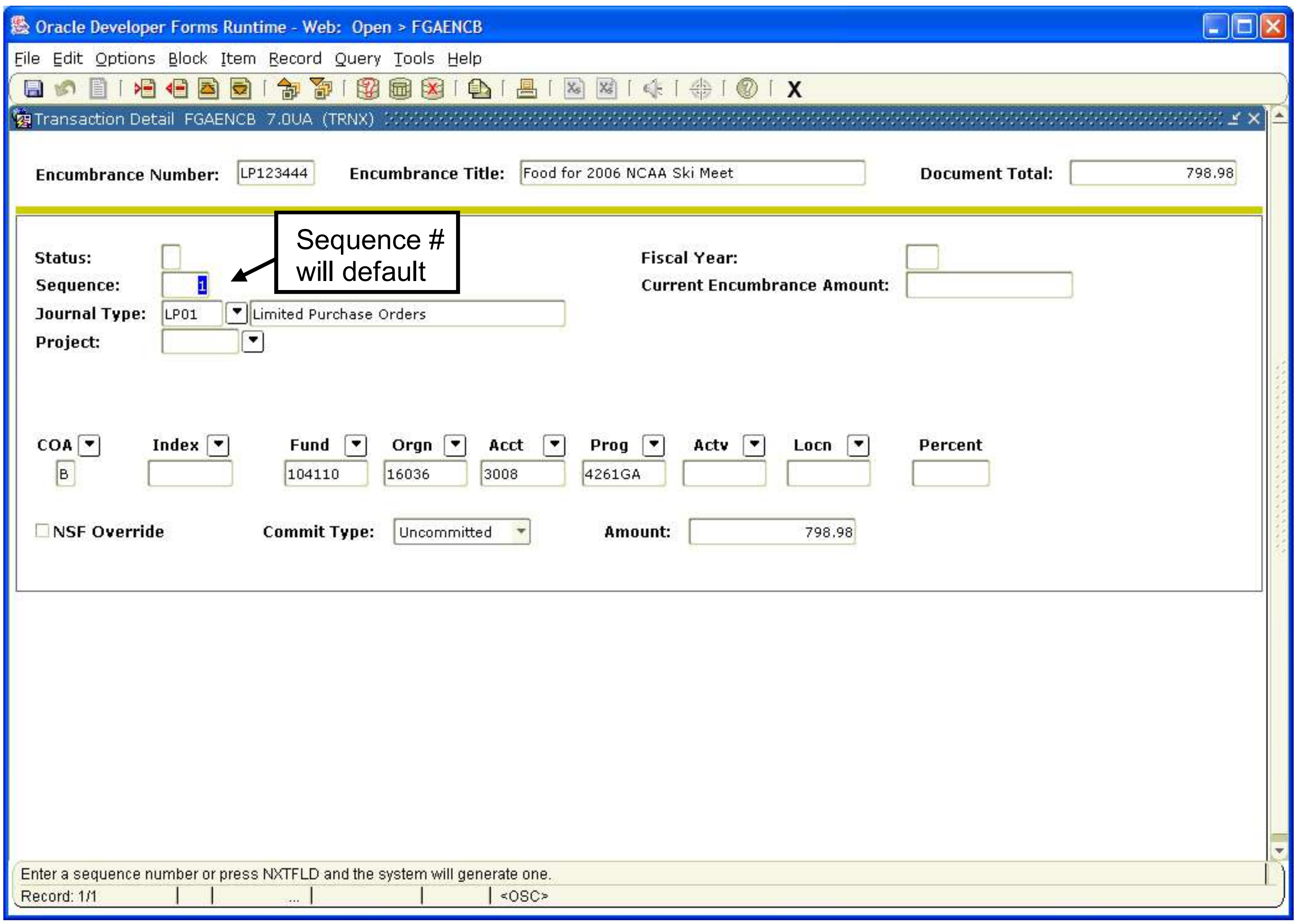
Do not change the Encumbrance Type, and do not type anything into the Encumbrance Change field.



<Tab> once to the Journal Type field and type in “LP01”, then <Tab> down to the “Fund” field and enter the fund/org/acct combination that is to be charged for your purchase. As usual, the Prog number number defaults, and we don’t use the Index, Actv or Locn fields.

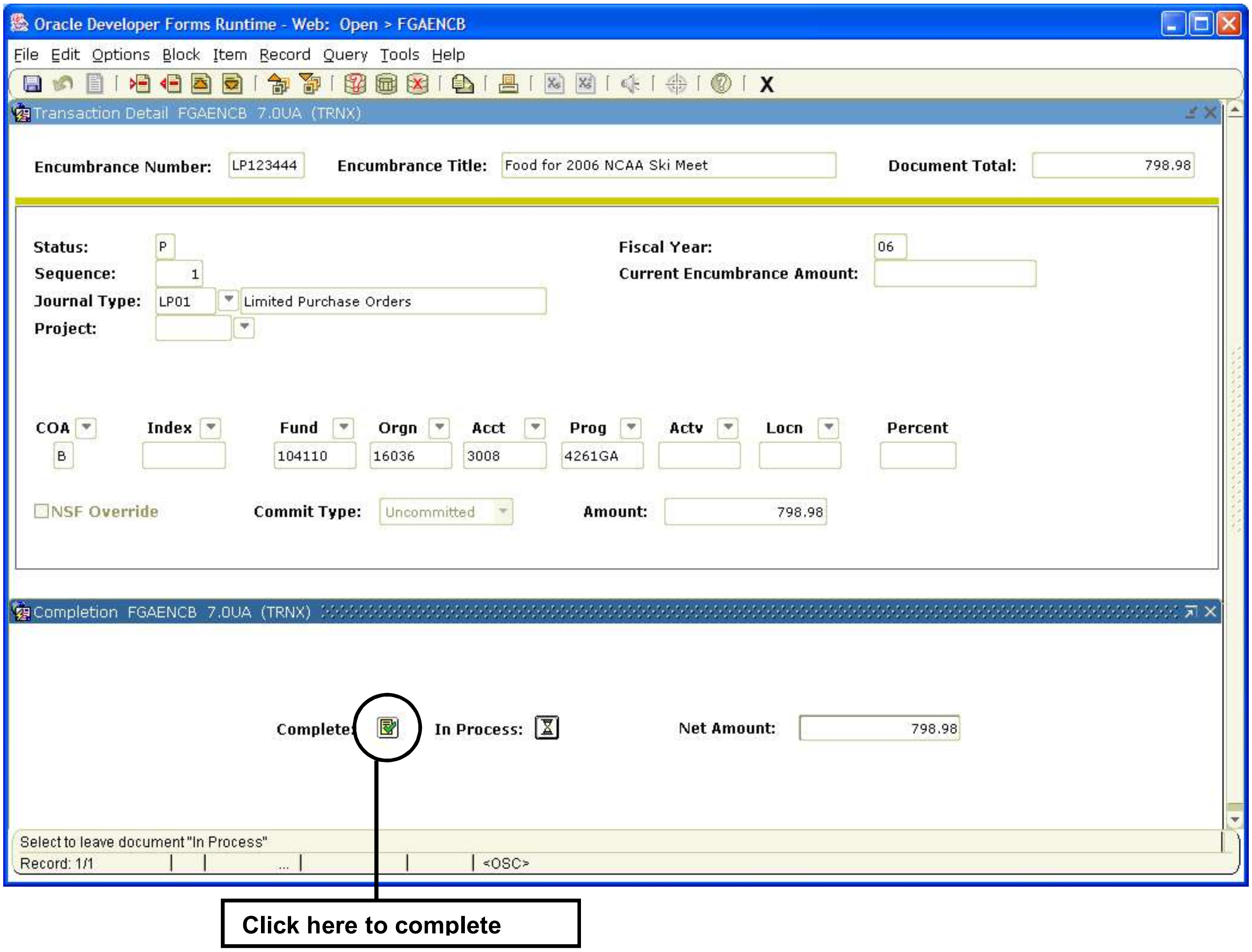
<Tab> to the Amount field and type in the amount to be charged.

If you are splitting the accounting, then type in your first amount, <Tab> to the Journal Type field, *(bypass the Sequence field!)* press <Next Record>, type in “LP01” again and repeat the process for each line of accounting you wish to enter. *Note: If the Program number (“Prog”) does not show up, you will have to type it in manually to complete this LPO.*



Press <Next Block> to proceed.

Click on the green Completion Icon to complete your LPO.



Complete the paperwork as outlined on page 42.

HOW TO QUERY ON VENDOR NAMES IN BANNER

The University of Alaska uses strict rules for naming vendors so that it's easier to query on vendor names. You'll need to know some of these rules to locate vendors in query mode. Certain words are always abbreviated in a vendor name.

All vendors are entered into Banner using upper/lower case. That is, the first letter of the first significant word (any word that isn't "the", "a", or "an") is capitalized, as are all significant words in the name. The rest of the word is in lower case letters. "A", "an" and "the" are insignificant words, and are all lower case; however, if "a", "an" or "the" is the first word of the vendor name (such as "The" Office Place"), then it is dropped. (That way the vendor ID matches to the first significant word of the vendor name).

Names: Company Name: If a company is called by a person's name (i.e., Dolly Madison), the name is entered in it's usual order (that is, last name won't be first, etc).
Individual's Name: If the vendor is a person, then the person's legal name is entered into the fields for an individuals' name (Last, First, Middle initial). No titles are used with an individual's name (i.e., Dr., Mr., President, etc).

Punctuation: Punctuation is not used except for the following:
- Hyphens (-) in a vendor's name, address or a +4 ZIP code;
- Slashes (/) in a vendor's name
- Apostrophes denoting a missing letter (i.e., Pay 'N Pak);

Banner doesn't use periods, commas, or apostrophes denoting possession.

Initials: Initials are entered without punctuation (except hyphens when necessary) and without spaces.

Commonly used acronyms: For businesses using commonly used acronyms (such as IBM, ML&P, etc), the acronym is entered first without punctuation and without spaces. The company's full name is entered immediately after the acronym (still on the first line). Parenthesis are used around the full name to separate it from the initials.

Numbers in a name: When the name contains a number(s), Banner always used the numeric form, even if the vendor spells out the number.

"And" in a name: The "&" is used with a space on either side.

Symbols in a name: When a symbol appears in a name, it is entered as the symbol with a space on either side.

Use of a state in a company name: When a state is used in a company name, the state's name is always spelled out. (However, when the state name is part of a college, university , state, or federal agency or department, the postal two-letter abbreviation is used).

Federal and state government agencies/departments: Common acronyms are never used for state agency names; however, appropriate abbreviations are used for words within that name. (i.e., DOE should be: Dept of Educ).

Federal government agencies/departments: All federal government agencies and departments should start with US. The vendor name begins with US, then is followed with the agency/department title.

State government agencies/departments: The state's two-letter postal abbreviation is always before the department/agency's name (AK Dept of Fish & Game).

Municipalities, boroughs, local & foreign government entities: The state/borough/city etc, is the first word of the vendor name, followed by the rest of the title. (i.e., Palmer, City of). The first address line contains the agency name (i.e., Parks & Rec.) (Note: this rule does not include city/borough owned utilities. Treat those as regular company names).

Colleges & universities: The words “College” or “University” always come after the college or university’s actual name, with no punctuation, (WA, Univ of). University and College are abbreviated as Univ and Colg. The state’s name is abbreviated using the two-letter postal abbreviation. School names are never abbreviated (UAF, UAA, etc, aren’t used). The department name will be on the first line of the address after the college or university’s name.

dba (Doing Business As): When the vendor is an individual doing business as a company, (determined by use of a 1099 for tax purposes), then two vendor IDs are created: one is created using the person’s name, and another is created using the business name. The ‘true’ ID number will be assigned to the name that matches the 1099 information. The ID that doesn’t match the 1099 information will direct you to the correct ID, for example, “See x34567”.

CALL PROCUREMENT @ 66500 IF YOU FIND DUPLICATE VENDOR IDs OR ERRORS IN VENDOR NAMES!

See next page for standard abbreviations

Full Word	Abbreviation	Full Word	Abbreviation
- A -		- I -	
Accounts	Accts	Incorporated	Inc
Accounting	Acctg	Information	Info
Administrative/tion	Admin	Institute/tion	Inst
Advertising/ment	Adv	International	Intl
Agency/ies	Agcy		
America/an	Amer	- J -	
Associated/es	Assoc	Journal	Jrnl
Association	Assn		
		- L -	
- B -		Laboratory/ies	Lab(s)
Building	Bldg		
Business	Bus	- M -	
		Maintenance	Mntnc
- C -		Management	Mgmt
Campus	Cmps	Manufacturer	Mfgr
Center	Ctr	Manufacturing	Mfg
Central	Centrl		
Chemistry/chemical	Chem	- N -	
College	Colg	National	Natl
Community	Comm		
Company	Co	- O -	
Conference	Conf	Office	Ofc
Corporation	Corp		
Council	Cncl	- P -	
		Products	Prod
- D -		Program	Prgm
Department	Dept	Publisher/ing	Publ
Development	Dev		
Distribute/tion/ors	Distrib	- R -	
District	Dist	Register/registration	Reg
		Resource	Res
- E -			
Economics	Econ	- S -	
Education/al	Educ	School	Sch
Equipment	Eqpt	Science/scientific	Sci
Exchange	Exch	Service	Serv
		Society	Soc
- F -		Statewide	Stwd
Federal	Fed	Station	Sta
Furniture	Furn	Supply	Supl
		Systems	Syst
- G -			
General	Gen	- T -	
Government/al	Gov	Technical	Tech
		Technology	Tech
- H -			
Headquarters	Hdqtrs	- U -	
		United States	US
		University	Univ