July 23-2008: Module 3, Purchase Orders – part 1

For group discussion: Let's spend five minutes talking about module 2, Planning to Avoid NSF. Any questions or success stories to share?

LEARNING OUTCOME

Successful completion of this module should increase your confidence. Before and after each new topic, assign yourself a "confidence rating" for that item.

- Refresher - Creating a Purchase Order
- PO Best Practices
- PO Tips-n-Tricks
- Avoiding the PO pitfalls
- Deleting an Incomplete PO
- Cancelling a Completed PO
- Processing Change Orders (Part 2)

When you have completed the workshop, ask yourself if you feel more confident.

Refresher…

Creating a Purchase Order is a process done in Native Banner, and you must have been given the authority to do this from your manager and College Finance.

When operating in Native Banner, it is extremely useful to keep an eye on the Lower left corner of the screen. This is where Banner communicates error messages and other helpful hints.

Refresher section lists mandatory information only.

Continue reading for more ideas.

CREATING A PURCHASE ORDER

In Native Banner type ***FPAPURR*** in the **Go To…** field, and press ***Enter***.

- Leave **Purchase Order** field blank to automatically assign the next number.
- IMPORTANT:
  - Let Native Banner assign the Purchase Order number for you.
  - Do NOT type in "NEXT" or "P", and then the letter "O".
  - Enter a PO number only if you wish to work on an incomplete PO.

Mandatory Information

Document Information tab

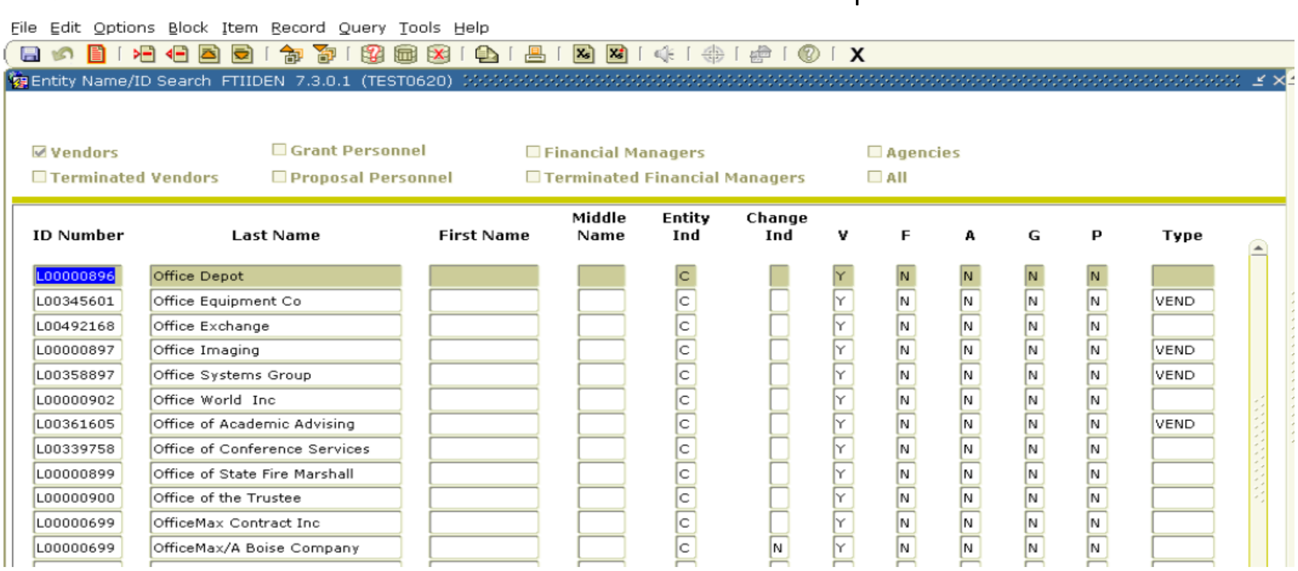
- **Delivery Date** (Optional-use the letter D as a shortcut for today's date)
- **Buyer Code**: Type **LCC** or click the down arrow by the box to automatically enter

Requestor/Delivery Information tab

- **Organization:** Six digit code for the ordering department 's Org.
- **Attention To:** Enter the L# for the delivery contact person. However, the contact name, department and telephone number, so that the vendor may call for clarifications or other directions, actually comes from your login.

Vendor Information Tab

- **Vendor:** Vendor L#
  - Click the Down Arrow to go to the look-up screen FTIIDEN
  - Run a query based on the vendor name (Office% in this example). Press F7 to indicate to Banner that you wish to run a query. F8 instructs Banner to run the query to find the information.
  - Double click on the vendor line to select and return to the previous screen.



File Edit Options Block Item Record Query Tools Help

Entity Name/ID Search FTIIDEN 7.3.0.1 (TEST0620)

☑ Vendors ☐ Grant Personnel ☐ Financial Managers ☐ Agencies
☐ Terminated Vendors ☐ Proposal Personnel ☐ Terminated Financial Managers ☐ All

ID Number	Last Name	First Name	Middle Name	Entity Ind	Change Ind	V	F	A	G	P	Type
L00000896	Office Depot			C		Y	N	N	N	N	
L00345601	Office Equipment Co			C		Y	N	N	N	N	VEND
L00492168	Office Exchange			C		Y	N	N	N	N	
L00000897	Office Imaging			C		Y	N	N	N	N	VEND
L00358897	Office Systems Group			C		Y	N	N	N	N	VEND
L00000902	Office World Inc			C		Y	N	N	N	N	
L00361605	Office of Academic Advising			C		Y	N	N	N	N	VEND
L00339758	Office of Conference Services			C		Y	N	N	N	N	
L00000899	Office of State Fire Marshall			C		Y	N	N	N	N	
L00000900	Office of the Trustee			C		Y	N	N	N	N	
L00000699	OfficeMax Contract Inc			C		Y	N	N	N	N	
L00000699	OfficeMax/A Boise Company			C	N	Y	N	N	N	N	

- Verify the Vendor address type or correct.

- **FOB Code:** Enter 04 (04- FOBD)

IMPORTANT: FOBD = Freight On Board (at the) Destination, which talks about where and when ownership of PO items are transferred to Lane.

Commodity/Accounting tab

- **Description**
  - Enter a brief description (see Best Practices below).
- **U/M:** (Units of measure): Example: EA = each.
- **Quantity:** Can be “1”. Example: one invoice of Office Supplies.
- **Unit Price:** Enter price per unit or invoice total as desired.
- ***FOAP elements***: Enter the 4-six digit elements in each of the correct FOAP fields.
- Dollar Amount (***USD section)*** for this FOAP, if you are using more than one, otherwise tab through the fields to enter the information automatically.

Balancing/Completion tab

- *Select Complete or In-Process*

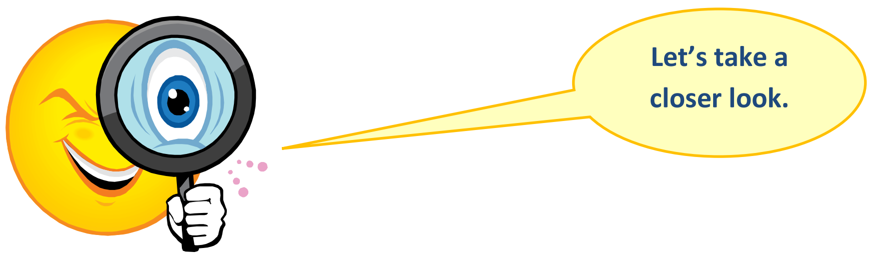
Practical Exercise: If creating Purchase Orders is part of your duties, a good exercise is to create a PO using a FOAP and amount that will generate an NSF situation (hint: use the Budget Query and Budget Availability. You may want to temporarily transfer funds out of a FOAP in order to do so. When the PO is complete, perform another Budget Transfer and complete your PO. Remember you’ll need a few minutes between transactions for Banner to cycle.

1. *How is a PO allocated to more than one FOAP.*

2. *How is freight allocated?*

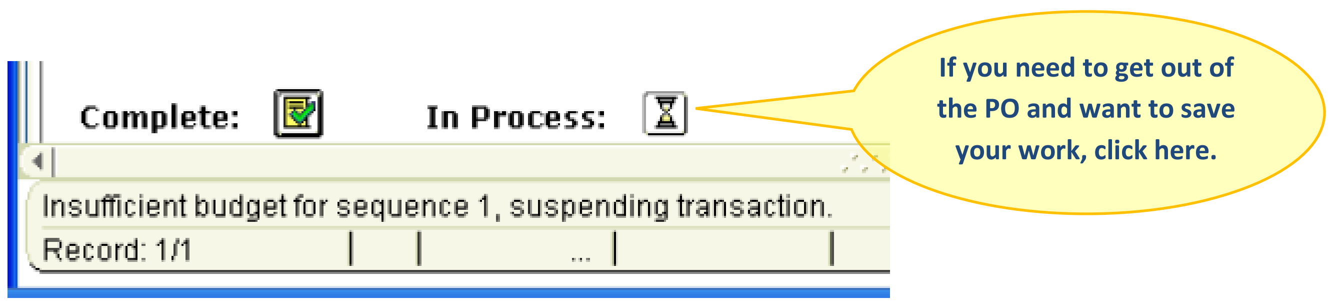
3. *How is the PO number assigned, and when?*

PO BEST PRACTICES



Avoid NSF

It is a good practice to check for available budget before creating a Purchase Order (PO). To do this quickly, login to the ExpressLane Financial Information module and select Budget Availability (process are available here). Enter the FOAP(s) you want to use for the PO. Once you have verified sufficient funds exist, or have completed a Budget Transfer, you are ready to proceed.



Text Printing

Document Text: prints at the top of the lines and should pertain to the entire order.

- Options > Document Text

Item Text: is associated with each line item entry and prints directly below the item.

- The Description field holds up to 60 characters. If more text is needed, click Options > Item Text

Vendor Copy: Text annotated as "Print" will print only on the Vendor and File Copies.

- Check the box in each row applicable.

File Copy: Text annotated as "Not Print" will print only on the File Copy.

- Print box not checked.

Invoice Item Descriptions

Please help Accounts Payable staff save time. They must enter any description in the invoice that you have in your PO, unless you use the Item Text field. If you have multiple items or lengthy descriptions, please consider using the Item Text field (see below). Ex: You may want to use: 1 @ $500.00 in place of

1. 10 qty @ $20.00
2. 20 qty @ $5.00
3. 50 qty @ $4.00

PO TIPS-N-TRICKS

Order Type

- ***Regular*** – when you want to input a line for each product
    - May be used for one time purchases.
- ***Standing*** – Good for multiple purchases from same vendor
    - Ex: Office Max/Boise

Banner dates

- **Order Date:** physical date of PO
- **Transaction Date:** accounting date of PO
- **Today's date:** Enter the letter D

On the Requestor/Delivery Information tab

- **Organization:** It will enter your default Org number that is associated with the L# in the Banner login. You can change it here if appropriate, or later when entering the Accounting Information.

Accounting Tips

- **Percentages:** After entering a FOAP, assign a percentage of the invoice to it by checking the box under the % sign in the Accounting block. Use a whole number, example “70” rather than “.70”. 100% of the invoice must be assigned to complete a PO.
- Keep a list of your common FOAPs and identify by use.

4. Practice allocating the amount of the invoice using a percentage of the total.

Speed Tips

- Use your P-Card whenever appropriate. The fastest PO is the one you don’t even do.
- If you are just going to enter the mandatory information, click next block or Control + Page Down to pop to the next mandatory field. You may find it is faster than tabbing through. This works for all Banner mandated data, however Lane requires you to enter the FOB also, so you will need to tab to this box on the Vendor Information tab.
- Type the letter “D” and tab to enter today’s date.
- Enter dates MMDDYY and let Banner do the formatting, example: 071608 rather than 07-JUL-08.
- Enter EA for the Unit of Measure, and 1 for the Quantity. Enter the total invoice amount for the unit price. This also saves time for Accounts Payable. Enter details into the Document or Commodity text (Options menu).

If you receive an insufficient budget message…

To allow the PO to be completed and approved:

1. Click the "IN PROCESS" button and then transfer budget into the desired FOAP. This will make sure that all Banner processing has been completed and the PO will be waiting for you to finish it after the budget transfer is posted.
2. OR, Go back to the Commodity/Accounting screen to
   a. change the FOAP to one that has sufficient amount to cover the NSF item.
   b. reduce the amount of the PO.

Remember you can have ExpressLane open at the same time as Banner to use Budget Availability or do a Budget Transfer.

Whichever option you choose (even if you just did a budget transfer and did not change the PO at all), **<u>you must page through the PO again</u>, <u>AND tab through the fields of the Commodity/Accounting entries</u> to allow Banner to perform available balance checking again.**

If you don't, even though money may now be available, Banner will not recognize it. Note: even with the warning message, Banner will allow the PO to be completed.

5. *Create several incomplete and complete POs in TEST. Login at lanecc.edu/explanestaff*

AVOIDING THE PO PITFALLS

The Commodity Trap

Never type anything in the Commodity field. The cursor defaults to that position, however if a commodity is entered or selected from the list of values, the PO never seems to successfully complete. It is best to steer clear of this field altogether. If data gets entered into this field, the most commonly advised solution is to delete the PO and start over.

NSF Gotcha

If you click the "Complete" button without providing adequate budget, the PO will be sent all the way through approvals, and then to go through the NSF queue, where it will finally be disapproved and sent back to you. To save time, follow the tip above under "If you receive an insufficient budget message" and avoid this gotcha.

Change Order Catch 22

Change Orders can be complicated, but their bark is worse than their bite. However, if you don't have time to learn to do a change order, you may decide to delete the PO and start again. If the PO has been completed, check View Documents – Approval History to lookup who is in the approval Queue, and ask to have it disapproved. Then it can be cancelled using FPAPDEL.

PO Number's Gone Missing

Look it up under View Documents in ExpressLane. Select Purchase Order, and click on the Document Number button. Change the Completed field to "No". Click Execute Query to get a list of all your incomplete purchase orders.

DELETING AN INCOMPLETE PO

This is EASY!

Deleting an incomplete PO is a simple process that takes only a few moments once you are confident with the process. In **FPAPURR**, enter the PO number you wish to delete. (If it is incomplete, you may make changes to it at this time.) To delete the entire PO, open the **Record** menu and select **Remove**. Repeat this transaction once and the deletion process is complete! To make changes to a completed Purchase Order that has had activity such as an invoice, please read the handout for, or attend the next module.

CANCELING A COMPLETED PO

If the PO you wish to cancel has not had any activity, you may cancel it in Native Banner, **FPAPDEL – Purchase/Blanket Order Cancel**.

- Enter the PO number and review the information to ensure it is the correct document.
- Click on the Cancel Date tab.
- Click on the list of values for Cancellation Reason Code and double click the most appropriate code.
- Click the icon to Make Cancellation Permanent.
    - Note: change orders cannot be cancelled. To do this, issue a new CO with the desired changes.

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6. *Access View Documents and look for any documents that are not completed or approved under your user name.*

7. *Practice deleting incomplete POs and canceling completed POs.*

8. *What would you do to find a PO number if you didn't write it down? Please tell the class if you have another way of doing this other than in the handout.*

9. *Login to TEST by clicking the link at http*

>> Go to: TEST environment

NEXT MODULE: Purchase Orders Part II will cover:

- Creating a Change Order to
    - Increase or Reduce the amount of a PO
    - Change the accounting (FOAPs) on an existing PO
    - Add lines to a PO
- Remove an unneeded PO balance using FPAEOCD
- PO shortcuts by copying from a similar PO