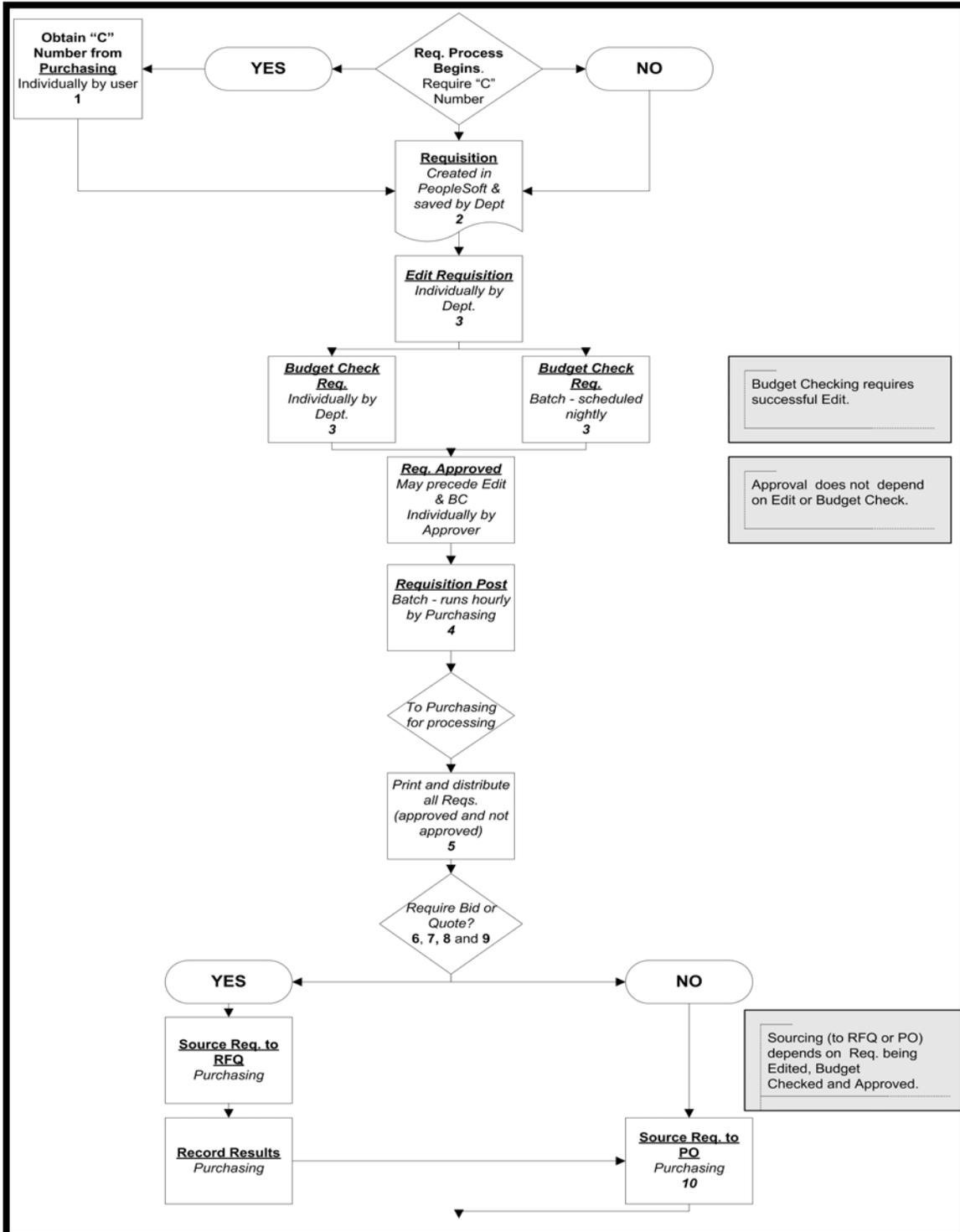
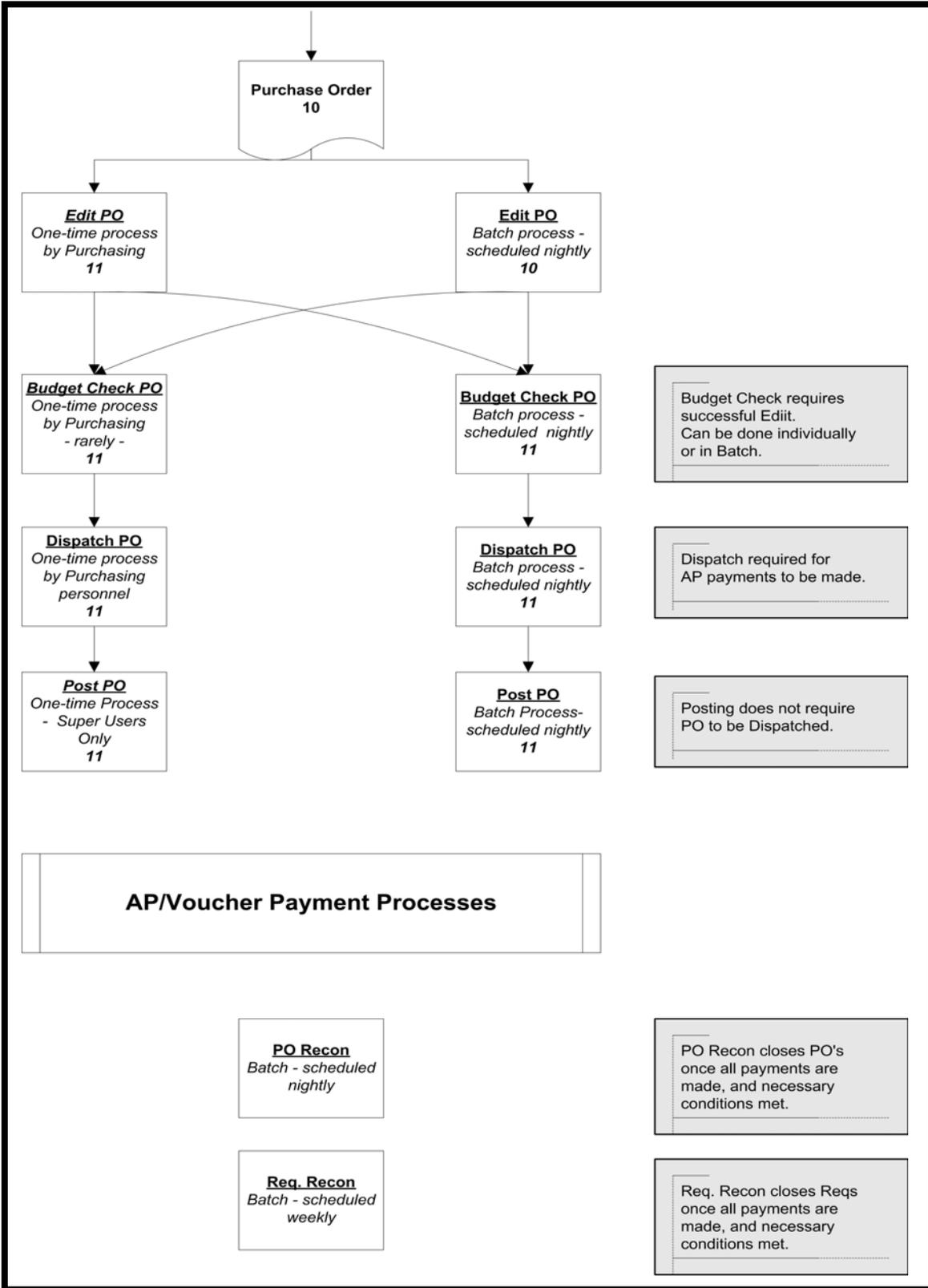


Requisition/Purchase Order Life Cycle - LSUNO

The following flowchart is intended to provide the Purchasing Super User an overview of the daily Processes that are required to move a Requisition and Purchase Order through the PeopleSoft System, from creation of the Requisition in PeopleSoft by the Department to Dispatch and Posting of the PO by Purchasing (i.e. the final two Processes required by AP to pay a PO).



Requisition/Purchase Order Life Cycle – LSUNO (continued)



Requisition/Purchase Order Life Cycle - LSUNO (continued)

1. Department calls Purchasing for a “C” Number (or Confirmation PO):

Louisiana State Law requires that any item purchased be bid out. However, the following are four exceptions, whereby the Requester may choose to obtain a “C” Number (i.e. Confirmation Purchase Order Number) from Purchasing:

- The total order is not more than \$500.00. Orders cannot be split to meet this \$500.00 limit;
- The total order is not more than \$5,000.00. In this instance, the Department may solicit telephone quotes from Vendors. A minimum of three telephone quotes are required for most items;
- Any item being ordered from the State Contract, since the State has already negotiated the price with the Vendor;
- Sole source items.

If the item to be ordered meets any of the above criteria and a “C” Number is needed, the Requester must contact Purchasing to obtain the “C” Number prior to entering the Requisition, so Purchasing may verify that the order meets State requirements. The “C” Number, assigned by Purchasing, will be the Requisition and Purchase Order Number even though it must follow the complete Requisition/Purchase Order Life Cycle. Since it is the PO#, the Requester may use the “C” Number to place the order with the Vendor. The Requester **must** then enter the Requisition in PeopleSoft. This confirms that the order was already placed by the Requester with the Vendor.

2. Department creates (enters) and saves the Item Requisition in PeopleSoft:

All Item Requisitions **must** be entered in PeopleSoft (i.e. both C# POs and those that do not meet the criteria listed above to obtain a C#) in order to generate a PO. If a PO is not generated, then a Voucher will not be generated by AP. This in turn causes delays in payment of the Vendor Invoice.

NOTE:

- Direct Pay (Dues, fees, subscriptions, etc.) and Travel will not be entered in the PeopleSoft Requisition panels.
- Blanket Orders or Standing Orders will be entered in PeopleSoft one time for the year; thereafter the Purchase Order number will be used to place additional orders for the year.

Requisition/Purchase Order Life Cycle - LSUNO (continued)

Department Edit and Budget Checks the Non-Contract Requisition:

The Department **must** edit and budget check a Non-Contract Requisition before a PO is generated by Purchasing. This will speed up the processing of a PO. When a Requisition that has not been edit and budget checked by the Department is received for processing, Purchasing must edit and budget check the Requisition. If the budget check fails, it must be researched by Purchasing. This often requires conversion of the Chartstring via the website by Purchasing to verify that the Chartstring was properly entered by the Department. If the Purchasing staff member has numerous Requisitions to enter, any Requisitions that require research to get a valid budget check may be required to be set aside until the research can be conducted. This will result in a delay of generating the PO.

It is recommended that the edit and budget check process be run **after** approval of the Requisition, since this process will “freeze” the Chartstring. If edit and budget check is performed **prior** to approval, neither the Department nor Purchasing will be able to change the Chartstring without making adjustments to the Schedule Details subpanel of the Requisition. If the Chartstring must be changed after the edit and budget check process, the Department may do so by either of the following methods:

1. The Department should insert a line in the Schedule Details subpanel of the Requisition to add the proper Chartstring and delete the original incorrect line.
2. For Requisitions that contain numerous Chartstrings to be changed, the Department should copy the Requisition into a new Requisition so that the Chartstrings can be changed. The Department should then cancel the original Requisition.

See the “Managing Requisitions” manual for instructions to:

- *Insert and delete lines in the Schedule Details subpanel;*
- *Copy a Non-Contract Requisition from an existing Requisition;*

Purchasing runs the Requisition Post Process (REQPOST):

The Requisition Post Process is run as a recurring “automatic” batch process. This Process will be discussed in detail in this manual.

Purchasing retrieves Requisitions:

Each day, Purchasing prints **all** Requisitions entered the day before (regardless of the status of the Requisition) and proceeds to generate the PO for the Approved Requisitions.

Requisition/Purchase Order Life Cycle - LSUNO (continued)

“C” Numbered POs (\$500 and below):

“C” Numbered POs totaling \$500 and below are handled by the Purchasing clerical staff. The clerical staff member receives the telephone call from the Department and assigns the PO Number (i.e. “C” Number).

“C” Numbered POs (\$500 - \$5,000 with 3 telephone quotes from Vendors):

“C” Numbered POs totaling \$500 - \$5,000 are handled by the Purchasing Buyers. The telephone call from the Department is routed to a Buyer (i.e. Junior Buyers, generally, handle the Requisitions totaling \$500 - \$5,000). The Buyer reviews forms faxed by the Department and assigns the PO Number (i.e. “C” Number), if the State Requirements for a “C” Numbered PO are met.

Requisitions (NEXT: auto-generated number in PeopleSoft – i.e. not a “C” Numbered PO):

Requisitions that do not meet any of the four criteria to obtain a “C” Number (i.e. listed in Step 1) or Requisitions for which the Department chooses not to obtain a “C” Number will have an auto-generated number. The Requisition ID that will be generated by the system when the Requester enters and saves the Requisition is not the Purchase Order number. A separate PO number will be assigned by Purchasing once the PO has been built. Once the Requisitions entered the day before are printed by Purchasing, the Purchasing Office Manager randomly assigns a Buyer (Requisitions totaling \$5,000 and below – Junior Buyer; Requisitions totaling above \$5,000 – Senior Buyer). The Buyer’s name is then noted in the Non-Contract Requisition Header Comments panel.

Requisitions with an auto-generated number (i.e. not a “C” Numbered PO):

- **Requisitions (totaling \$500 and below)** - Purchasing sends a PO to the Vendor requested by the Department.
- **Requisitions (totaling \$500 - \$20,000)** – Purchasing sends a “5 Day Fax Bid” to 5 Vendors. The Department must suggest at least one of these Vendors to Purchasing. The remainder of the 5 Vendors that are not suggested by the Department will be selected by Purchasing. Purchasing transforms the Requisition into a Fax Bid (i.e. it is entered on a Fax Bid form that contains instructions to the Vendor). After 5 days, Purchasing reviews the returns from the Vendors for the award process.
- **Requisitions (totaling above \$20,000)** – Purchasing sends out a “21 Day Written and Mailed Invitation to Bid (ITB)” to 5 Vendors. Here again, the remainder of the 5 Vendors that are not suggested by the Department will be selected by Purchasing. This is referred to as a Request for Quote (RFQ) in PeopleSoft. After 21 days, Purchasing reviews the returns from the Vendors for the award process.
NOTE: In certain situations, Purchasing may send a “10 Day Written ITB” to Vendors. An example of this would be for the installation of carpeting, whereby the Vendor may require a visit to the location to take measurements.

Requisition/Purchase Order Life Cycle - LSUNO (continued)

Purchasing Sources the Requisition to a PO – POBUILD Process (i.e. generates the Purchase Order):

- “C” Numbered POs may be “sourced” (or “populated”) to a PO using the same “C” Number that was given to the Department and entered in PeopleSoft as the Requisition number.
- Requisitions that have an auto-generated PeopleSoft number may be “sourced” (or “populated”) to a PO. These Requisitions are given a separate PO number.

NOTE: “Sourcing” (or “populating”) is a process that allows Purchasing to convert the Requisition to a PO. Purchasing may choose to enter a PO in PeopleSoft rather than “source” (or “populate”) the Requisition to a PO. The POBUILD Process will be discussed in detail in this manual.

11. Purchasing runs the Edit PO (POEDIT), Budget Check PO (FSPBCHK), Dispatch PO (POPO005) and Post PO (GFPOENCM) Processes:

These Processes are run as a recurring “automatic” batch process after normal business hours in the interest of saving time and preserving system resources during peak hours. These Processes will be discussed in detail in this manual.

NOTES:

Purchasing sets the Match Rule for the Purchase Order as follows:

- **No-Match or Two-Way Match** – The Invoice **must not** be received in PeopleSoft. However, the Invoice **must** be approved by the Department (i.e. signed) for payment by AP.
- **Three-Way Match** – The Invoice **must** be received by the Department in PeopleSoft for payment by AP.

AP uses PO Vouchers and Express Vouchers as follows:

- **Express Vouchers** -
These Vouchers are not “sourced” or (“populated”) from Purchasing to AP. AP enters the Voucher in PeopleSoft. Express Vouchers are only used for “C” Numbered POs totaling \$500 and below only.
- **PO Vouchers** –
These Vouchers are “sourced” or (“populated”) from Purchasing to AP. PO Vouchers are used for any PO totaling \$500 and above.

If the Department does not generate the Item Requisition in PeopleSoft, the PO and the Voucher will not be generated. This will result in delays in payment of Vendor Invoices.