CAPPS Purchase Order Processing

Purchase Order Processing

This course does NOT contain audio.

Introduction

Recommended Users: Employees who enter supplier invoices

Welcome

Hello,

Welcome back to the CAPPS Financials training.

Before taking this course you should have already completed the following courses:

- 999 - CAPPS Financials Fundamentals course and
- 305 - Requisitioning and Receiving

Course Duration

This course will take approximately 8 hours. You can complete it all today or by sections. It's really up to you. You can take the training how it best fits in your schedule.

Course Preparation

It is recommended that you avoid distractions during training. You should close all other applications including your email while taking the course and silence your cell phone.

Navigation

Be sure you use the Next and Previous navigation buttons only when directed to view information in this course.

Course Outline

The course is organized into seven sections. Learn how to use CAPPS Purchasing functionality in each of the following sections:

- Section 1 - Purchasing Overview
- Section 2 - Managing Solicitations
- Section 3 - Administering Procurement Contracts

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- Section 4 - Creating Purchase Orders
- Section 5 - Managing Purchase Orders
- Section 6 - Running Purchasing Reports
- Section 7 - Review

Section 1 - Purchasing Overview

Section 1 – Objectives

After completing this section you will be able to:

- Understand the Procure-to-Pay process overview and your role in the process
- Define the Chart Field segments that determine what budgeted funds are being spent
- Understand Encumbrances and how they are applied to the budget
- Define key Purchasing terminology

Section 1 - Outline

Lesson 1) Procure-to-Pay Story Board – Duration: 10 min

Lesson 2) Chartfields – Duration: 10 min

Lesson 3) Tracking Encumbrances – Duration: 10 min

Lesson 4) Key Purchasing Terminology – Duration: 10 min

Section 1 – Lesson 1

Procure-to-Pay Story Board

- Encumbrance Fundamentals
- Life-cycle of a transaction in Procurement

Discover how the Procure-to-Pay process affects the Budget.

Pre-encumbrance, encumbrance, and expenditure…what does it all mean?

Pre-encumbrances, encumbrances, and expenditures are all a part of the budget checking process. This process ensures funds are available at the time a request is made.

First, I will explain how the budget is impacted by the budget checking process. Then, you will be provided with details to learn how the Procure-to-Pay process works.

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This is a simple chart to explain how pre-encumbrances, encumbrances, and expenditures affect the budget. Take a moment to review the following:

- Beginning Balance is 10,000
- Pre-encumbrance is $0
- Encumbrance is $0
- Expenditure is $0 and the
- Remaining Spending Authority is $10,000

Scenario: Nancy needs to place an order for office supplies. She created a requisition to order office supplies that cost $100. Now let's see how the transaction affected her budget.

When a requisition is created and budget checked, CAPPS will pre-encumber the funds; place them on hold. A pre-encumbrance reduces the total available funds in the Budget.

Nancy started with $10,000 in her budget.

She pre-encumbered $100 for office supplies.

Her total Remaining Spending Authority is $9,900.

What happens to the requisition next? Nancy's requisition will need to be sourced to a Purchase Order and budget checked. Budgeting Checking a Purchase Order (PO) releases the pre-encumbrance and encumbers the funds. The total funds available in the Budget remain the same.

What happens to the requisition next? Nancy received her office supplies. Her supplier (vendor) has submitted their invoice to Accounts Payable. Accounts Payable creates and budget checks a voucher. This releases the encumbrance and creates the expenditure. The total funds available in the Budget remain the same.

Now that you understand the Budget Checking process, take a few minutes to review how the Procure-to-Pay process works.

CAPPS Financials Process-to-Pay Process

Learning Objectives

After completing this brief demonstration you will be able to:

1) Understand the complete Procure-to-Pay Process within CAPPS
2) Identify where and how the Budget is impacted throughout the Procure-to-Pay Process.

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3) Recognize the various Procure-to-Pay Roles and Responsibilities.

The Procure to Pay Process Timeline

1) Requisition - You create a Requisition to request a purchase of an item(s).
2) Purchase Order (PO) – Information is copied from the Requisition to the PO. There is no need for re-entry.
3) Receiving – The item is received from the supplier (vendor) or returned. The transaction is captured in CAPPS.
4) Accounts Payable (AP) – When an Invoice is received from a supplier a Payment Voucher is created.
5) USAS – Provides payment to the supplier (vendor).

Review the different types of CAPPS functionality relating to Purchasing.

Requisitions

- Requisitions can be created from eProcurement.
- A requisition line can reference an existing contract.
- Requisitions require approval based on an agency's management structure.
- Pre-encumber (place on hold) funds from the Budget.
- May be created by anyone with the Requestor Role

  Purchase Orders

Purchase Orders

- Information from a Requisition can be copied into a PO. No dual entry needed.
- Can be created without a Requisition (Direct PO) or from a contract
- Removes requisition pre-encumbrance and encumbers the funds from the Budget.
- Purchase Orders may require approval from a Manager.
- Purchase Orders may be created by anyone with the Buyer Role.

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Receiving

- A record of items being received or still outstanding is captured in CAPPS.
- A record of items that were rejected upon delivery is captured.
- Suppliers forward invoices to Accounts Payable.
- May be received or returned by anyone with the Receiver role.

Accounts Payable

- In Accounts Payable a payment voucher is created.
- The payment voucher may require approval from a manager.
- Releases the PO encumbrance and creates an Expenditure entry in Budget.
- Automatically creates the General Ledger (GL) Journal entry.
- Automatically creates an Item in Asset Management.

USAS

- Creates the Payment for Supplier (Vendor)

Learn your role in CAPPS by reviewing the task that you perform today. The tasks and their roles are following:

- Task – Purchase Items or Services
    - Role – You are a Requestor. Requestors create a requisition to purchase items/goods. Recommended training class(es) are: 999 Financials Fundamentals and 305 Requisitioning and Receiving.
- Task – Manage Purchase Orders (PO)
    - Role – You are a Buyer. Buyers create, budget check, and dispatch Purchase Orders. Recommended training class(es) are: 999 Financials Fundamentals, 305 Requisitioning & Receiving, 306 Purchase Order Processing.
- Task – Approve Requisitions or POs

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- Role – You are an Approver. Approvers can approve Requisitions and/or Purchase orders. Recommended training class(es) are: 999 Financial Fundamentals and 310 Requisitioning Approval.

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- Task – Receive Items or Goods
    - Role – You are a Receiver. Receivers enter a receipt of items and services delivered to the Agency. Recommended training classes) are: 999 Financials Fundamentals and 305 Requisitioning & Receiving.
- Task – Process Supplier Invoices
    - Role – You are an Accounts Payable Clerk. AP clerks process invoices and create Payment Vouchers. Recommended training class(es) are: 999 Financial Fundamentals and 200 Accounts Payable.
    -

Hope you enjoyed learning about the process! Let's go back to the course!

Section 1 – Lesson 2

ChartFields

- Explanation of ChartFields and Valid Combinations for Budgeting

CAPPS Chart of Accounts (Chartfields)

1) Review the following information pertaining to Chart of Accounts. Then see if you can match the account name with its purpose.

ChartFields

The backbone of the PeopleSoft Financial System is the Chart of Accounts. These are fields and values that provide a common language for classifying an organization's business transactions. ChartFields are also referred to as Chart of Accounts, ChartField String or Coding Block.

ChartFields in CAPPS

ChartFields are used throughout CAPPS. Purchasing, Accounts Payable, Commitment Accounting (Budget), and General Ledger all require ChartFields. For this reason, it is important that you understand what each field is used for and how the various fields are combined into a ChartField string.

There are four required ChartFields in CAPPS and a few optional fields that are defined by the agency. The CAPPS required fields are: Account, Fund, Appn/PCA, and Budget Ref (AY).

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Account

The Account ChartField is the segment of the chart of Accounts that captures the nature of financial transactions as Assets, Liabilities, Fund Equity, Revenues, and Expenditures. It provides the detail breakdown for Balance Sheet and Revenue/Expenditure reporting.

In CAPPS FIN, account is defined with a length of six characters. Agencies are required to use the first four characters for Comptroller Object (COBJ) or GL Account as in USAS. Agencies commonly use the last two characters to record transactions at a greater level of detail.

Appropriation (Appn)/PCA (Class Field)

The Appn/PCA ChartField is the segment of the Chart of Accounts that is required by USAS for any financial transactions. Appn is used only for Commitment Control budget entries. Since the Appn cannot be input on financial transactions directly, it must be looked up or translated from the PCA.

Appropriation Year (Budget Reference)

The Appropriate Year ChartField is the segment of the Chart of Accounts that are required by USAS. This value is entered in the Budget Reference field in CAPPS FIN.

In CAPPS FIN, Budget Reference is defined with a length of 10 characters. Most agencies use the first four characters to record the AY. Agencies can use the following two characters to reflect the month (e.g., 01=September). However, using 6-characters introduces a greater level of complexity.

Agency Options

Optional ChartFields Available to Agencies

Chartfield: Department
Field Length: 10
Description: The Department ChartField is used to identify the departmental structure for organizational and/or budgeting purposes.
Chartfield: Program Code
Field Length: 5
Description: Available for agency use.

Chartfield: Product
Field Length: 6
Description: Available for agency use.

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Chartfield: Project
Field Length: 15
Description: Used by Project Costing (PC), Customer, Contracts, and Grants module when PC is implemented. Note: This field may be used as an optional tracking field when PC is not implemented. For example, this field may be used to track costs associated with Grants when the full functionality of the Grants Module is not needed.

Understanding the Chartfield String

Now that you understand ChartFields, take a moment to view how they are displayed in CAPPS. Below are the details for a Financial Transaction Entry and a Budget Journal Entry:

- Financial Transaction Entry
  - This is an example of a Financial transaction entry using Agency Fund (5041) and PCA (90841).

Unit	Ledger	SpeedType	Account	Oper Unit	Fund	Dept	Program	Appn/PCA	Appn Year
00000	ACTUALS		105000		5041	11420		90841	2015

- Budget Journal Entry
  - This is an example of a Budget entry using Agency Fund (5041A) and Appropriation (13024).

Ledger	SpeedType	Account	Fund	Appn/PCA	Appn Year
APPROP_BUD		700000	5041A	13024	2015

Step 2 – Select the appropriate Chartfield name options to match the definition.

Chartfields - 1-Account, 2-Fund, 3-Appn/PCA, 4-Budget Reference

Answer Options:

A - Required by USAS

B - Captures transactions as Assets, Liabilities, Fund Equity, Revenues, and Expenditures.

C - Appropriation Year

D - The source of money related to a transaction.

Answers:

C. Appropriation Year = 3-Appn/PCA

A. Required by USAS = 1-Account

D. The source of money related to a transaction = 4-Budget Reference

B. Captures transactions as Assets, Liabilities, Fund Equity, Revenues, and Expenditures = 2-Fund

Section 1 – Lesson 3

Tracking Encumbrances

- Budget Checking
- Document Tolerances

When should I Budget-Check my document?

1. After the Requisition has been approved by all approvers.
2. After the Purchase Order has been approved.
3. After the Accounts Payable Voucher has been created and matched.
4. After any money-related changes are made to the Requisition and/or the PO.
5. After a PO has been Closed, Canceled, or Finalized.

For some Agencies, Budget Checking will be performed periodically by an automated process, but can still be done manually if a document needs to be expedited.

What does Budget Checking do on a PO?

1. Validates the ChartField combination entered on the PO.
2. Confirms that there are sufficient budgeted funds to execute the intended transaction.
3. Encumbers an amount equal to the PO amount within the referenced budget.
4. Updates the PO’s Budget Status to Valid, if the ChartField is valid and funds are available, or Error if appropriate.

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5. Assesses the pre-encumbrances on related requisitions (if any) and liquidates as necessary.
6. Liquidates or adjusts encumbrances in cases where a PO has been closed, canceled, finalized, or changed.

Budget Pre-Check

- Previews the budget to tell you in advance whether the Requisition or Purchase Order will pass the Budget-Check, which will be performed later.
- Does NOT encumber funds or affect existing Pre-encumbrance or Encumbrances.
- Changes Budget Status to Provisionally Valid (Prov Valid).
- Is generally not necessary on a PO, but should be performed on a Requisition before it is submitted for approval.

On the Purchase Order screen, the Budget Pre-Check button will appear with the Budget Check button after the PO is Approved.

Where can I review my Pre-Encumbrances and Encumbrances?

1. Budget Details Screen:

   Main Menu > Commitment Control > Review Budget Activities > Budget Details

2. Manage Requisitions option:

   Main Menu > eProcurement > Manage Requisitions, then Expand Section to view Pre-Encumbrance Balance displayed on TimeLine

3. Maintain Purchase Orders screen:

   Main Menu > Purchasing > Purchase Orders > Add/Update POs

Section 1 - Lesson 4

Key Purchasing Terminology

- Definitions

Buyer/Purchaser - Used interchangeably, a buyer or purchaser is someone who has the authority to purchase goods and services through a Purchase Order.

Cancel - Requisitions and POs can be canceled at either the header or the line level. When a user cancels a line on either a requisition or a PO, the line will continue to display with a canceled status, but will no longer be available for modification. Any amounts allocated to a canceled line should be released once the budget check process has occurred.

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Note: A line cannot be canceled if vouchers have already been applied against it.

Close/Complete - Used interchangeably, once a PO is Closed/Completed it is no longer available for further processing or re-use. To view a Closed/Completed PO, a user will have to navigate to: Purchasing > Purchase Orders > Review PO Information > Purchase Orders.

Copy/Source - Used interchangeably, requisitions can be copied/sourced to a PO, and POs can be copied/sourced to vouchers.

Partial Finalize - Partial Finalize occurs at the line level and means the same thing as finalize; however, the difference is that only certain lines of a voucher or PO are being finalized rather than the entire voucher or PO which would be performed at the header level.

Pre-Encumbrance - Pre-encumbrances represent funds reserved through the process of budget checking a requisition. Reserved funds decrease the remaining spending authority for a given budget.

Reduce - Reducing a line amount is not the same thing as finalizing. Reducing will of course reduce the amount of a line, but will not release unused amounts unless the change is Budget-Checked.

Un-do Finalize - This feature is found at the Header and the line section of POs and vouchers, and does the opposite of the Finalize process. When a user clicks on the Un-do finalize option, any remaining unused amounts are allocated back to the Requisition/PO.

Section 2 - Administering Contracts

Administering Procurement Contracts

Section 2 – Outline

This course is organized into five lessons. Learn how to use CAPPS Administering Procurement Contract functionality in each of the following sections:

Lesson 1) Create a New Header Contract - Duration: 20 min

Lesson 2) Create a New Header Contract with Lines - Duration: 30 min

Lesson 3) Amend Contract with Versioning - Duration: 20 min

Lesson 4) Amend Contract without Versioning - Duration: 20 min

Lesson 5) Create a Child and Parent Contract - Duration: 30 min

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Section 2 - Objectives

After completing this section you will be able to:

- Create a New Header Contract
- Create a New Contract with Lines
- Amend Contract with Versioning
- Amend Contract without Versioning
- Create Child and Parent Contracts

Section 2 - Overview

Procurement Contracts

The ***Procurement Contract module*** maintains all expenditure contract records for your agency, including:

- Vendor contracts
- Interagency contracts
- Inter-local contracts

The Procurement Contract file will be reporting data to meet Senate Bill 20 and LBB reporting requirements.

Procurement Contract records would be entered if a procurement:

- Crosses fiscal years
- Contains options for renewals
- Has a fully executed contract document signed by agency head
- Meets LBB reporting requirements
- Does not require a Purchase Order

Section 2 - Lesson 1

Create a New Header Contract

- Understanding the information captured at the header based on agreement information for a specific contract
- Creating a new contract tailored to the structure of your contracts to match your business model

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Create a New Header Contract

- The Contract Entry page enables you to select a contract process option that will use throughout your entire life cycle.
- Contract process options include: Recurring Voucher, Prepaid Voucher, Prepaid Voucher with Advance PO, Recurring PO Voucher, Purchase Order, Release to Single PO Only and General Contract contracts. Currently only Purchase Order and General contracts processing options are currently used within CAPPS.

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Create a New Header Contract

Select the following link for the exercise:

View Section 2, Lesson 1 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 2 - Lesson 2

Create a New Contract with Lines

- Understand the purchasing contract and supplier contract information
- Enter header and line information for the transactional purchasing

Create a Contract with Lines

- This topic describes additional fields and options that are available when you use the Contract Entry and Add/Update Contract components

  Note: New contracts will be creating in Open status. When all required fields are entered, the contract must be saved to an approved status.

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Create a New Contract with Lines

Select the following link for the exercise:

[View Section 2, Lesson 2 Exercise]

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 2 - Lesson 3

Amend Contract with Versioning

- Understand the use of Versioning
- Modify an existing contract using the New Version feature
- Identify the changes on the Contract Change History page

Amend Contract with Versioning

You may make amendments to a contract by using the Amendment Version feature or by using the Track Changes features. This has been identified by your agency deployment team and is a configuration setup for your agency.

CAPPS Procurement Contract has two change capabilities:

- Track changes; or
- Versioning

Purchasing contract versions refer to the revision of the purchasing contract transaction. This functionality provides you a method to revise the transactional contract as a new draft version while the prior version of the contract is still active within CAPPS Purchasing. This will provide a system view on the Contract Change History page of what was before the change and create a track change. To make a change to a contract with versioning you must select the **New Version** button to create an amendment.

Section 2 - Lesson 3 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Create Amending with Versioning

Select the following link for the exercise:

[View Section 2 Lesson 3 exercise]

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 2 - Lesson 4

Amend Contract without Versioning

- Modify an existing contract without using the New Version feature

Contract Amendment without Versioning

- Contract amendments may be entered in CAPPS where there is only a single version of the contract. This will create a track changes record that identifies when specific fields are changed and who made those changes.
- When changes are being made to the contract, the contract would be unavailable for processing transactions against until the changes have been entered and the contract amendment has been approved.

Section 2 - Lesson 4 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Amend Contract without Versioning

Select the following link for the exercise:

View Section 2 Lesson 4 exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 2 - Lesson 5

Create a Child and Parent Contract

- Identifying the existing contract and remaining balance
- Creating a new child contract from an existing contract
- Creating the parent contract
- Associating the original and child contracts to the parent contract
- Checking the contract balances on the parent contract

Child and Parent Contracts

Occasionally a supplier ID will need to be changed on a contract, due to a merger or legal name change of a vendor. Parent and Child contracts provide a reportable way to track these situations and maintain a clear audit trail.

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Example: Vendor AAA merged with Vendor BBB, and the new company is called XYZ.

- Original Vendor AAA contract# 12345 is copied to create a Child contract.
  - New Vendor ID XYZ entered on the copy
  - Amount of the copy matches Amount Remaining on original
  - Contract Number matches Original, but with C in front (i.e. C12345)

Child and Parent Contracts Continued

- Amount of the Original is reduced by amount of the Child, leaving a balance of $0.
- Parent contract is created.
  - Contract number also matches original, but with P in front (i.e. P12345)
  - Both Original 12345 and Child C12345 are linked to Parent P12345
  - Parent displays Contract Max Amount, Total Released, and Total Amount Remaining

Section 2 - Lesson 5 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Creating Child and Parent Contract

Select the following link for the exercise:

View Section 2 Lesson 4 exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 3 - Creating Purchase Orders

Section 3 - Objectives

After completing this section you will be able to:

- Find Requisition Lines that need to be sourced to a Purchase Order
- Create a Purchase Order from a Requisition
- Understand the function and purpose of an Amount-Only Purchase Order
- Create an Amount-Only Purchase Order
- Create a Purchase Order for ProCard transactions
- Reserve a Purchase Order Number

Section 3 - Outline

Lesson 1) Finding Requisitions to be Sourced – Duration: 15 min

Lesson 2) Creating a PO from a Requisition – Duration: 45 min

Lesson 3) Creating an Amount-Only PO – Duration: 20 min

Lesson 4) Creating a ProCard PO – Duration: 20 min

Lesson 5) Printing a PO – Duration: 10 min

Lesson 6) Reserving a PO Number – Duration: 15 min

Section 3 - Lesson 1

Finding Requisitions to be Sourced

- Running the Requisitions to be Sourced Report

Section 3 - Lesson 1 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Finding Requisitions to be Sourced

Select the following link for the exercise:

View Section 3 Lesson 1 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 3 - Lesson 2

Creating a PO from a Requisition

- Creating a Header
- Adding lines
- Approving, Budget-Checking, and Dispatching
- Special/Priority Purchase Types

Best Practice Tip:

Open the requisition and review it before you start your PO.

- You may find helpful or important info, such as a suggested supplier or notes from the requester. Otherwise, you won't see this information until after you have created your PO header.

- Reviewing the requisition first might save you from starting over later!

Special/Priority Purchase Types

- New legislation taking effect on 9/1/15 mandates certain purchase types as "Reportable Items." It is important that these fields be used appropriately.
- Comments must be included any time an entry is made on this screen.
- One PO can have multiple Purchase Types marked.
- If the Special/Priority Purchase Type was marked by the requester, you will see that information on the Special/Priority Purchase Type screen. If not, you can select the appropriate checkbox and add notes in the Comments section.

Special Priority Types and Purchase Type Definition

Sole Source – The product or service is only available for purchase through the specified identified vendor. These vendors are usually the manufacturer.

Proprietary – A proprietary product is one where the specifications or conditions of the proposed purchase allow only one product to be supplied, and preclude any other product or supplier from meeting the specifications (i.e., an agency owns a vehicle and some of the parts for the vehicle are ONLY to be that manufacturer's parts). A proprietary purchase can be either sole source or it could be competitive (i.e., several suppliers may offer the car manufacturer's parts).

Emergency – The purchase is being made pursuant to Texas Government Code, 2155.137. Emergency purchases occur as a result of unforeseeable circumstances and many require an immediate response to avert an actual or potential public threat. If a situation arises in which compliance with normal procurement practices is impractical or contrary to the public interest, an emergency purchase may be warranted to prevent a hazard to life, health, safety, welfare, property or to avoid undue additional cost to the state.

After the Fact – A purchase was made outside the normal purchasing method and the requisition is to provide an avenue to make payment. Agencies would have individual guidelines to address these purchases.

Confirming Order – An order formally documented after the transaction has occurred. For example, an order is placed and accepted by phone, to facilitate expedited ordering during critical times. If the contractor accepts the phone order, the ordering entity shall issue a purchase order as soon as possible, and include the clause: "Confirmation Order of (Date) – Do not duplicate. Order confirmed with (Name).” This notation is critical to prevent duplicate orders when the written order is received, and to fix the date on which the price is based (in case of later price increases).

Best Value – (To be added) An order awarded to a vendor who did not necessarily provide the lowest bid, but is selected based on other criteria such as availability or quality of merchandise.

PO Approvals

- Agencies that do not have PO Workflow implemented will have Buyers self-approving their own POs.
- Multi-level approval functionality is available through an approval Workflow, which would route the PO to one or more approvers. PO Workflow is defined by Agency.
- Similar process is currently being used for eProcurement Requisitions.

Section 3 - Lesson 2 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Creating a PO from a Requisition

Select the following link for the exercise:

View Section 3 Lesson 2 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 3 - Lesson 3

Creating an Amount-Only PO

- Purpose of an Amount-Only PO
- Creating an Amount-Only PO

Amount-Only Purchase Orders

- Commonly used for the purchase of services, such as Consultants or Utilities.
- Supplier invoices for amount of service provided rather than quantity of items.
- Common Unit of Measure for Amount-Only Line Items is “Lot”.
- Receipt entered is based on dollar amount of the invoice, and quantity (of 1) is ignored.

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- Allows for incremental billing against a single PO line, when services will be provided and billed across a certain timespan, rather than all at once.

Section 3 - Lesson 3 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Creating an Amount-Only PO

Select the following link for the exercise:

View Lesson 3 Lesson 3 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 3 - Lesson 4

Creating a ProCard Purchase Order (PO)

- Purpose of a ProCard PO
- Creating a ProCard PO

ProCard Requisition

- Requester captures ProCard transactions on a Requisition.
- Each transaction must include the Supplier ID for the purchase.
- Requester can use one Requisition for each purchase, or collect several purchases as individual lines on a single Requisition.

ProCard Purchase Order

- Periodically, Buyer sources all recent ProCard Requisitions to a single PO.
- Buyer uses a custom CAPPS header field to identify the PO as a "ProCard Summary Doc", which means it is an internal document only, not a real PO.
- Supplier on the PO is the bank that issued the ProCard.
- Each purchase becomes one PO line.
- Individual supplier information for each line is not included on the PO.
- PO is dispatched as "Print", but is NOT sent to the Supplier/bank.

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ProCard Vouchers

- AP copies the PO to a Voucher, using the custom "ProCard" voucher style.
- A CAPPS background process imports individual Supplier information from Requisition lines and writes it to the appropriate voucher lines.
- These Line-level voucher entries are considered "memo" entries, which provide a record of ProCard transactions, but do not generate payment.

Section 3 - Lesson 4 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Creating a ProCard PO

Select the following link for the exercise:

View Section 3 Lesson 4 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 3 - Lesson 5

Printing a PO

- How to Print or Reprint a PO

Section 3 - Lesson 5 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Printing a PO

Select the following link for the exercise:

View Section 3 Lesson 5 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 3 – Lesson 6

Reserving a PO Number

CAPPS Purchase Order Processing

- Reserving a PO Number

Section 3 - Lesson 6 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Reserving a PO Number

Select the following link for the exercise:

View Section 3 Lesson 6 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 4 - Managing POs

Managing Purchase Orders

Section 4 - Objectives

After completing this section you will be able to:

- Enter a PO Change Order
- Review and update PO Distributions
- Finalize a PO
- Navigate through the Buyer's Workbench
- Close and reopen a PO
- Cancel a PO
- Review existing POs

Section 4 - Outline

Lesson 1) Entering and Reviewing PO Change Orders – Duration: 15 min

Lesson 2) Viewing and Updating PO Distributions – Duration: 15 min

Lesson 3) Finalizing POs – Duration: 30 min

Lesson 4) Navigating the Buyer's Workbench: Closing and Reopening POs - Duration: 30 min

Lesson 5) Canceling POs – Duration: 15 min

Lesson 6) Reviewing POs – Duration: 15 min

Section 4 - Lesson 1

Entering and Reviewing PO Change Orders

- PO Change Order Guidelines
- Entering a PO Change Order
- Reviewing PO Change Orders

PO Change Orders

- Changes to a PO should not be made without the same change being made on the corresponding Requisition line. This ensures that the changes are approved and tracked appropriately.
- Changes entered after a Requisition or PO is approved will require the document to go through the approval workflow again.
- If the change affects the dollar value of the requisition or the ChartFields in the distributions, Budget-Check should be run again after approval.
- Document Tolerance validation will fail if the Requisition and PO do not match.
- Comments fields should be used to document the change.
- Changes that affect the supplier will produce a Change Order, which must be re-dispatched to the supplier.

Section 4 - Lesson 1 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Scenario 1: Entering and Reviewing PO Change Orders

Select the following link for the exercise:

View Section 4 Lesson 1 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 4 – Lesson 2

Viewing and Updating PO Distributions

- Notes about Updating PO Distributions

CAPPS Purchase Order Processing

- How to View and Update PO Distributions
- Using SpeedCharts to Allocate Distributions

Updating Distributions on a PO

In most cases, ChartField information should not be changed on a PO. Distributions for that purchase were entered, approved, and Budget Checked on the Requisition.

However, the Buyer can review the ChartFields on a PO, and update them if necessary.

Distributions can be viewed or changed on the PO, as shown below:

- At the line level, click the Schedule icon
- At the schedule level, click the Distributions icon
- The Distribution screen, displays Chartfield information

Another option is to use the Maintain Distributions function.
(Navigation: Main Menu > Purchasing > Purchase Orders > Maintain Distributions)

The Maintain Distributions screen is used mostly by budget and accounting users who are not able to update other aspects of the PO (items, amount, etc.)

Distribution by SpeedChart

If necessary, SpeedCharts can be applied to allocate Distributions among multiple ChartFields. The SpeedChart selection field is available on the Distributions page.

Distributions can be allocated to SpeedChart lines by Quantity, or by amount. Percentage is calculated by the system.

Requisition Clear/Release/Erase

- Disassociates the Requisition from the PO.
- The requisition is made available for re-sourcing and the pre-encumbrance is restored when the PO is Budget Checked.
- Meanwhile, the PO remains active and encumbered, but with no associated Requisition (Stand-Alone PO).
- The icon used for this process looks like an eraser, and can be found on the PO Distribution page under the Req Details tab.

This action is necessary when a PO line is being canceled.

Section 4 – Lesson 3

Finalizing POs

- When to Finalize a PO

CAPPS Purchase Order Processing

- How to Finalize a PO
- How to Un-Finalize a PO

Finalizing

- Releases remaining Pre-Encumbrance or Encumbrance on the **source** document (not the current one).
- Finalizing a **PO** releases remaining Pre-Encumbrances on associated **Requisition** lines.
- Finalizing a **Voucher** releases remaining Encumbrances on associated **POs**.
- Does not cancel an order or close a document.
- Can be reversed (Un-Finalized), which restores the Pre-Encumbrance or Encumbrance.
- Can be performed at the Header or Line level (Partial Finalize). Finalizing at the PO Header level affects all Requisition lines associated to the whole PO, while Finalizing a PO line affects only the Requisition line associated with it.
- Is used whenever Encumbrances or Pre-Encumbrances remain that should be liquidated and returned to the budget.

Note:

Reducing a line amount is not the same as Finalizing. Reducing the amount of a line will not release unused amounts encumbered until the change is Budget-Checked.

Section 4 - Lesson 3 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Finalizing POs

Scenario 1: Finalizing POs

Select the following link for the exercise:

View Section 4 Lesson 3 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

CAPPS Purchase Order Processing

Section 4 – Lesson 4

Navigating the Buyer's Workbench: Closing, Reopening POs

- Using the Buyer's Workbench
- Closing a PO
- Reopening a PO

Buyer's Workbench

- Provides a screen where a variety of actions can be performed on POs.
- Extensive filter options allow the buyer to find one or more POs to work with. The POs identified by the filter shown are listed on the Buyer's Workbench.
- The Action buttons allow the buyer to perform various actions on the POs, including Budget Check, Dispatch, and Cancel.
- During normal processing of a PO, the buyer would generally perform these actions directly on the PO itself. However, the Workbench provides an alternate method, and allows the buyer to work on several POs at the same time.

Closing a PO

- Makes a PO unavailable for future processing, update, or re-use.
- Removes the PO from the list of available POs in most searches, enhancing system performance. Closed POs can still be viewed through the PO Inquiry page.
- Does not release remaining Encumbrances. POs should be Finalized before Closing and Budget-Checked after Closing.
- Should not be performed until all PO lines have been received and paid in full, no change orders are expected, and the PO should no longer appear on the "Active" list.
- Can be reversed (Unclosed), which causes PO to revert to the status it had when it was closed.
- Recommended to be performed from the Buyer's Workbench. However, the Unclose option is not available in Buyer's Workbench. (Navigation: Main Menu > Purchasing > Purchase Orders > Reconcile POs > Reopen POs)

CAPPS Purchase Order Processing

The Close process should be used on POs in the following cases:

- When SQL Updates have been applied, to avoid further issues or errors.
- When POs are old and budget information may be out-of-date.
- When POs cross over into subsequent fiscal years.
- When POs are re-used from a prior system version.
- When several change orders have been applied.

In these cases, it is preferred to copy the old Req/PO into a new Req/PO, and then close the old version. This helps to ensure that former accounting and budget dates are updated and valid ChartField combinations are applied.

Section 5 - Lesson 4 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Navigating the Buyer's Workbench: Closing and Reopening POs

Scenario 1: Navigating the Buyer's Workbench: Closing and Reopening POs

Select the following link for the exercise:

View Section 4 Lesson 4 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 4 – Lesson 5

Canceling POs Outline

- When and how to Cancel a PO

Canceling POs

- Makes the line or PO inactive, so that it cannot be used to process a transaction.
- Releases the encumbrance (after Budget-Checking), and gives the buyer the option to re-source the related requisition line to another PO or cancel it as well.
- Cannot be used on a line or PO that has had vouchers or receipts applied against it.
- Is typically used when a PO was entered by mistake, or when the order should

not be filled for some reason.

- Can be performed at Header or Line level.
- Will remain “Pending” until Budget-Checked and Dispatched.

Section 4 - Lesson 5 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Canceling POs

Scenario 1: Canceling POs

Select the following link for the exercise:

View Section 4 Lesson 5 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 4 – Lesson 6

Reviewing POs

- How users with View-Only access can review PO details

Section 4 - Lesson 6 Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Reviewing POs

Scenario 1: Reviewing POs

Select the following link for the exercise:

View Section 4 Lesson 6 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 5 – Running Purchasing Reports

Section 5 - Objectives

After completing this section you will be able to:

- Create Run Controls.

CAPPS Purchase Order Processing

- Use Run Controls to run Purchasing Reports.

Section 5 - Exercise

The exercise below provides step-by-step instructions on how to perform the following task in CAPPS:

Running Purchasing Reports

Scenario 1: Running Purchasing Reports

Select the following link for the exercise:

View Section 5 Exercise

After completing the exercise, close the browser tab and return to the course. Once you have returned to the course select next to continue.

Section 6 - Review

Course Summary

Congratulations, you have completed this course. You learned the following regarding CAPPS Purchasing:

- How to describe the Procure-to-Pay process and your role
- How to identify the Chart field segments that determine what budgeted funds are being spent
- How to create a PO for Quantity or Amount-Only
- How to reserve a Purchase Order number
- How to enter and review PO Change Orders
- How to cancel, close, and reopen Purchase Orders
- How to finalize POs to release pre-encumbrances
- How to manage the Solicitation process
- How to administer Procurement contracts
- How to run Purchasing reports

Congratulations

I hope you enjoyed your training!

This course is almost complete. It’s now time to review what you’ve learned in this course.