Purchasing Process

Here is a brief overview of the purchasing process as well as some frequently asked questions. If you have any questions please contact Procurement at (417) 836-5260 or Procurement@missouristate.edu.

Requisitions

1. Requestor enters a requisition. When entering a requisition, please be sure the following criteria are met. **If these criteria are not met you create more work for other departments and may delay processing of your request.**
   a. **DELIVERY DATE** – Enter the date you need your purchase delivered by.
   b. **VENDOR** – If you are requesting a quote and a vendor has not yet been assigned, please provide information of possible vendors in the Document Text box.

- To find an existing vendor:
  o Scroll down to the Code Look Up section at the bottom.
  o In the Type box, using the drop down menu, select “Vendor”.
  o In the Title Criteria box, type %, part of the vendor name, and % again. (For example, if you want to look up Apogee Imaging Systems, Inc., you would type %Apogee%.)
  o In the Maximum Rows to Return box, select 1000 from the drop down menu.
  o Click on “Execute Query” and scroll to the top of the page for the results.
  o You can highlight the M# of the correct vendor, copy, paste it into the Vendor ID box and then click on “Vendor Validate”. This will automatically fill in the vendor’s information. If you get an error message indicating the address is invalid there may be a 99 in the address sequence if there is more than 1 address for the vendor. Change the 99 to 1 and click “Vendor Validate” again. If you still get an error message change the 1 to 2 and validate again. You can continue changing this number until you get the address you need.

- If the vendor is not in the Banner system:
  o You may enter the vendor’s contact information in the Document Text.
  o You must request a W-9 from the vendor before payment can be made.

2. **SHIPPING** – If the products are to be delivered to a department location keep the Ship Code as “STMA”. In the Attention To field remove the requestor’s name and enter the department name and the location the receiving dock is to deliver your products. (For example, “Financial Services, CARR 119”.) Note: This field is limited to 23 characters. You may enter other specific information in the Document Text.

- If items are not to be delivered, such as a service, maintenance, subscription, membership or license, change the Ship Code to “SRVC”.
o If this is a purchase order, in the Attention To field, indicate the Department name that the order is for.

o If this is for an invoice, in the Attention To field, indicate “APPROVED FOR PAYMENT”.

Note: If the order is to be paid using a P-card please indicate “Cheryl’s P-card” or “Procurement Card”.

d. COMMENTS – Please do not put important information in the “Comments” box. This information does not appear on the requisition information when printed and could be missed by the buyer/processor in Procurement.

e. DOCUMENT TEXT – This box is used to provide details to Procurement or Financial Services. Some examples include:
   • Additional vendors
   • Quote numbers
   • Specifications on delivery
   • Department contact person and info for questions

f. ITEM NUMBER – Click on the blue numbers 1-5. Type in a description of the item(s) you want to purchase, such as a serial number, a particular fabric, color, etc. Click “Save” and then “Exit Document/Item Text Page”.

g. COMMODITY CODE – The Commodity Code’s Description should match the account number in the FOAP. These are especially important when purchasing fixed assets because they are what determine the depreciation of the asset.
   • To find a Commodity Code:
     o Scroll down to the Code Look Up section at the bottom.
     o In the Type box, using the drop down menu, select “Commodity”.
     o In the Maximum Rows to Return box, select 10000 from the drop down menu.
     o Click on “Execute Query” and scroll to the top of the page for the results.
     o You can highlight the Commodity Code of the correct commodity, copy, paste it into the Commodity Code box and then click on “Commodity Validate”. This will automatically fill in the commodity description information.

QUANTITY and UNIT PRICE – Enter the quantity of the item you are requesting and the dollar amount per unit. Banner will automatically calculate the total for each line item as well as the grand total when you click on “Commodity Validate”.

h. DISCOUNT AMOUNT and ADDITIONAL AMOUNT – Please do not put any information in the Discount Amount or Additional Amount boxes. Doing so could cause a purchase order to be canceled and reissued due to funding issues when Accounts Payable attempts to issue payment to the vendor.
i. **FOAP** – In the Chart box indicate “U” for University or “F” for Foundation. Then enter the Fund, Organization, Account, and Program codes in the corresponding boxes. You can find these numbers using the Code Lookup section at the bottom and following the same steps you did to find the commodity code.

- Please be sure the account number matches the description in the Commodity Code.
  - 730xx = Travel
  - 732xx = Supplies
  - 734xx = Services
  - 736xx = Other
  - 750xx = Capital Assets (Items over $5,000 – For more information please visit [http://www.missouristate.edu/policy/capitalassets.htm](http://www.missouristate.edu/policy/capitalassets.htm)).
  - 76xxx = Capital Outlay-Projects (Only to be used with X funds).

- Remember program number 001 is for revenue transactions only and should never be used on a requisition.

- In the Accounting box, indicate the percentage or the dollar amount you want to allocate to the FOAP you just entered. Be sure the radio button for either “Dollars” or “Percents” is selected just above this section.

j. Once you have finished entering all the information for the requisition, click on “Validate” at the bottom. Scroll to the top to see if there are any error messages. If everything is ok, scroll back down to the bottom and click on “Complete”. **Don’t forget to send the backup documentation to Procurement.** (The Department View Document is not necessary to include in the backup documentation).

2. Department Head, Budget Officer, or other authorized individual approves the requisition. **Please be sure the aforementioned criteria are met before approving.**

3. Financial Services approves or denies the requisition. Financial Services may change all or part of the FOAP if the correct one is not used. The requestor will receive a Banner-generated email with the details of the approval or denial.

**Purchase Orders**

1. Procurement receives an approved requisition and creates a purchase order based on the information entered on the requisition.

2. The requestor receives an email with a copy of the purchase order.

3. Procurement issues the purchase order to the vendor to place the order.

4. The vendor ships the goods (or provides the service) and sends an invoice to Procurement.

5. Procurement sends a copy of the invoice along with another copy of the purchase order to the department.

6. The department signs and dates the purchase order and the invoice for **confirmation that the goods/services have been received and the date they were received** and sends both documents back to Procurement to be paid. This is especially important at fiscal year-end so
Financial Services can properly record payables. It is also important that this step is completed in a timely manner to maintain good relationships with our vendors.

**NOTE:** If the department receives the invoice directly from the vendor, the department needs to sign and date the invoice as well as the emailed copy of the purchase order and send both documents to Procurement to be paid.

7. Procurement sends the invoice and a copy of the signed purchase order to Accounts Payable.

**Invoices and Payments**

1. Accounts Payable receives the paperwork from Procurement and creates an invoice and a check in Banner. The check is then sent to the vendor to complete the transaction.

**FAQ**

**Q. What if I made an error entering the FOAP on my requisition?**

A. If you have entered the wrong FOAP on your requisition AND Financial Services has not yet approved it, you need to contact the approver in Financial Services to have it changed.

- For Foundation FOAPs – Amanda Elsey
- For Grant FOAPs – Michel Hackworth or Cindy Schull
- For all other FOAPs – Lindsay Clark

**Q. What if Financial Services has already approved my requisition?**

A. If Financial Services has already approved your requisition and the FOAP needs to be changed there are a few options.

- **If a purchase order has not yet been created,** contact Procurement Services to have the requisition cancelled and enter a new requisition.
- **If a purchase order has been created, BUT has not yet been sent to the vendor,** contact Procurement Services to have the purchase order and requisition cancelled and enter a new requisition.
- **If a purchase order has been created AND sent to the vendor,** contact your Budget Analyst in Financial Services and request a transfer of funds. The transfer can only be made once the purchase order is paid.
  - Budget Analysts are
    - Sarah Caldwell
    - Heather Duncan
    - Marie Pearl
    - Beth Schmidt