Entering Purchase Orders

Procedure Frequency: Daily

Procedure Owner: College/ Area, Service Center, Central Procurement

Procedure Narrative:
Terms Used in This Procedures Document:
Negative Check-Off Form – A form that will accompany an invoice that is faxed to a College/ Area, Service Center for a negative approval for payment.

Purchase Order Entry Resource – an end user in a college/ area or service center who has the authority to enter purchase orders into PeopleSoft.

PO Approver – an individual that has the authority to approve a purchase order request; this person may be a departmental approver, a special account approver (e.g. hazardous materials) or a central procurement approver.

Requester – an individual who has requested a purchase order for a good or service; a requester can be faculty, staff, etc.

Speedtype – a code that translates to the PeopleSoft chartfield string (e.g. 123456 speedtype translates to fund 21100, department L610000000 and program H00).

Purchase Order Request Form – A form that an end user may use to request goods or services. This request form would be submitted to the purchase order entry resource for processing.

College/Area or Service Centers:
Several resources have been identified in each college/ area or service center to enter purchase orders. These resources will be responsible for entering purchase orders into PeopleSoft for the college/ area or service center they are a part of. Also, purchase order approvers have been identified for each college/ area or service center. Purchase order approvers have approval authority for a certain department ID or department ID’s. For each department ID, there needs to be a department approver 1 and a department approver 2. The department approver 1 and department approver 2 can be the same person (e.g. the dean) or different people (e.g. department approver 1 is the department chairperson and the department approver 2 is the dean).

College/ Areas or Service Centers will receive requests for purchase orders in a variety of ways. Faculty/ staff may submit a purchase request form, a memo or send an e-mail for a purchase request to the purchase order entry resource. Required information on the purchase request include the vendor, the item being purchased, the PeopleSoft chartfield string, the unit price, the quantity, the total price and the ship to location. The requester can ask the purchase order entry resource to use the PeopleSoft crosswalk website to find the appropriate chartfield string and note the speedtype (http:// www.umassmed.edu/ is/ peoplesoft/ uits/ Crosswalk).
Entering Purchase Orders

When entering a purchase order, the purchase order entry resource must ensure that the correct match rules are selected for the purchase order. The following guidelines can be used when determining which match rule to select for a purchase order:

- For blanket orders where more than 1 invoice is anticipated, use the ‘Blanket’ match rule (e.g. reservation of funds, 12 month service contract)
- For services, use the ‘2-Way’ match rule
- For goods less than $1000, use the ‘2-Way’ match rule
- For goods over $1000, use the ‘3-Way’ match rule (NOTE: a receiver is required)

The default match rule for purchase orders is 3-way match.

NOTE: For purchase orders subject to 2-way matching, the purchase order entry resource should indicate in the comments field on the purchase order if a negative check-off is necessary. For more information on the negative check-off process, please refer to the Invoice Approval on 2-Way Match PO procedures document.

PO workflow will be initiated by the purchase order entry resource. Based on the workflow rules, the purchase order will be routed to the correct departmental approver or approvers and to other special approvers as appropriate (e.g. fiscal approvers, procurement approvers). Once a purchase order has received the necessary approvals, the purchase order will be printed and dispatched by the Central Procurement Office. If a college/ area or service center wishes to have the purchase order faxed to a vendor, this request (along with a fax number), can be entered as a comment on the purchase order.

The college/ area or service center is required to keep a copy of the e-mail, memo or purchase request form submitted by the requester. The purchase order ID should be noted on the documentation as well as the date the purchase order was entered into PeopleSoft. Based on the volume of purchase orders generated, the college/ area or service center may choose to file the purchase order documentation by week or by month or by purchase order number. It is very important that this supporting documentation is retained as part of the quality assurance/post-audit review process.

Original copies of service contracts, supporting documentation for purchases that require legal review, or bid request documents must be forwarded to the Central Procurement Office. The Central Procurement Office must receive this documentation before the purchase order will be approved.

If there are any questions regarding purchase order entry, the Central Procurement Office can be contacted.

Healey Grants
Approved and signed purchase request forms for Healey grants will need to be submitted to the Central Procurement Office for processing as a purchase order. The Central Procurement Office will make all necessary approvals for Healey Grant purchase orders.

Central Procurement
The preferred method of entering purchase orders into PeopleSoft is to have the requesting college/area or service center enter the purchase order. However, there may be cases where a purchase order request gets sent to the Central Procurement Office. In this case, the Central Procurement Office will determine which college/area the requester is from and inform the requester of the appropriate purchase order entry resource for their college/area or the appropriate service center. All purchase orders should be entered at the college/area or service center.

**Job Aids:**
- Listing of PeopleSoft accounts and corresponding FRS object codes
- Listing of PeopleSoft department ID’s and descriptions
- Listing of purchase order entry resources (including location and e-mail address) by college/area or service center

**Relevant Forms**
- Purchase Order Request Form