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Roles and Responsibilities

A community of people within each unit share financial stewardship, even though we may all play different roles. Listed below are six primary financial roles. Keep in mind that these are roles—not job descriptions—so you may function in several of these capacities.

**Initiator**
Individuals who request or initiate an event that results in a financial transaction. They are responsible for conducting activities and events within the boundaries of compliance with University policies and procedures and funding agency restrictions. Any University employee has the potential to be an initiator.

**Preparer**
Individuals who prepare, code, review, and/or process sponsored and non-sponsored transactions in compliance with University policies and procedures and funding agency restrictions. They also resolve discrepancies and prepare some reports.

**Approver**
Individuals who review and approve sponsored and non-sponsored accounting transactions to ensure compliance with University policies and procedures and funding agency restrictions. They also identify problems and ensure resolutions.

**Fiscal Monitor**
Individuals responsible for policy interpretation and implementation for a department (or collegiate unit or higher). They manage the sponsored and non-sponsored accounting and fiscal operations of a department (or collegiate unit or higher) in compliance with University policies and procedures and funding agency restrictions.

**Principal Investigator / Project Manager**
Individuals who provide leadership for a research grant and/or a subunit within a department by managing, problem solving, ensuring compliance with policies, and monitoring budgets.

**Academic Head**
Individuals who provide leadership for the unit and the University in general. They participate in policy formation and ensure policy implementation for their unit. They are also responsible for their unit's overall financial management.
Roles and Responsibilities Specific to Purchasing

Organization Structure

The University is organized to provide expertise in the purchasing and payables areas. The college and administrative offices across the University have grouped together staff for the more complex purchasing tasks and for voucher processing. These groups of staff are called clusters. Procurement specialists perform cluster functions.

- **Departments**
  - Requisitions
  - Non-Asset Receiving

- **Clusters** (Procurement Specialists & Voucher Preparers)
  - Change Orders
  - Asset Receiving
  - Resolve Match Errors
  - Support Year-End
  - Voucher Entry
  - Invoice Imaging

- **Purchasing Services**
  - U-Wide Contracts
  - Bidding
  - Year-End Processes
  - Resource for Dept and Clusters
  - Approves change orders and reqs $50,000+

**Requester**

The requester is responsible for planning and initiating purchases on behalf of their department or unit. The requester is typically the requisition preparer.

**U Market Shopper**

The U Market shopper could be any University employee who has been granted authority by their department to create shopping carts in U Market. The shopper then assigns their cart to their departmental requisition preparer to complete in the financial system.

**U Market Requisition Preparer**

The U Market requisition preparer is responsible for creating U Market carts or retrieving them from other U Market shoppers then completing the order via an EFS requisition. U Market requesters can only create U Market requisitions. They cannot create a CPS, blanket order, or a standard purchase requisition.

**Requisition Preparer**

The requisition preparer is responsible for creating and monitoring purchase requisitions for goods, standard services, and professional services, and blanket orders. The requisition preparer can shop in U Market and receive carts from other U Market shoppers to complete the order in the financial system.

**Requisition Approver**

Depending on the dollar amount, category, supplier type, and whether the expenses are charged to a sponsored or non-sponsored ChartField string, the approver reviews the requisition to ensure it adheres to University policies and sponsor guidelines, if applicable. The approver is responsible for either approving the requisition or sending it back and leaving comments as to why it was sent back.
<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
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<tr>
<td>Receiver</td>
<td>Upon delivery of the good or service, the receiver is responsible for the timely entry of a receipt transaction in the financial system. This transaction is a verification that the University took physical delivery of a good or received a service, and it is the authorization to pay the supplier’s invoice once it arrives. To receive capital assets, the UM 1681 Capital Equipment Asset Receipt Form must be completed and sent to the procurement specialist.</td>
</tr>
<tr>
<td>Contract Administrator</td>
<td>The contract administrator is responsible for the oversight and monitoring of professional services contracts and communicating any changes or issues to the procurement specialist for resolution.</td>
</tr>
<tr>
<td>Procurement Specialist</td>
<td>The procurement specialist manages purchase orders (POs) for their cluster, including expediting requisitions; dispatching, changing, and canceling purchase orders; resolving match exceptions; and entering receipts for capital assets. The procurement specialist also performs duties related to month-end and fiscal year-end close for purchasing activities.</td>
</tr>
<tr>
<td>Imaging Preparer</td>
<td>Imaging preparers are responsible for imaging supplier invoices into the University imaging system to be accessed for entry into and linking to the financial system.</td>
</tr>
<tr>
<td>Voucher Preparer</td>
<td>The voucher preparer is responsible for entering supplier invoices in the financial system. The voucher preparer is also responsible for resolving any invoice discrepancies, matching exceptions, voucher in recycle status, and/or budget exceptions in partnership with the procurement specialist.</td>
</tr>
<tr>
<td>Purchasing Services Category Manager</td>
<td>The Purchasing Services category manager is responsible for handling supplier bidding for large purchases, negotiating and maintaining U-Wide Contracts and blanket orders, maintaining supplier relationships, and providing oversight and reporting for purchasing activities throughout the University. Purchasing Services must also approve all requisitions and PO Change Orders totaling $50,000 or greater.</td>
</tr>
<tr>
<td>Inventory Services</td>
<td>Inventory Services maintains University capital equipment records in the Asset Management module of the financial system, affixes bar-coded inventory tags to all new capital equipment items, and performs periodic equipment audits required by the federal government.</td>
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Internal Controls

Definition

Internal control is a process affected by a university’s governing board, administration, faculty, and staff, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- effectiveness and efficiency of operations
- reliability of financial reporting
- compliance with applicable laws and regulations

Components

Internal control consists of five interrelated components derived from basic university operations and administrative processes as follows:

Control Environment

The core of any educational institution is its people. They are the engines that drive the organization. Their individual attributes (integrity, ethical values, and competence) and the environment in which they operate determine the success of the institution.

Risk Assessment

Universities must be aware of and deal with the risks they face. They must set objectives that integrate key activities so the total organization operates in concert. They also must establish mechanisms to identify, analyze, and manage the related risks.

Control Activities

Control policies and procedures must be established and executed to help ensure that actions necessary to achieve the institution’s objectives are effectively carried out.

Information and Communication

Surrounding these activities are information and communication systems. These enable the organization’s people to capture and exchange the information needed to conduct, manage, and control its operations.

Monitoring

The entire process must be monitored and modified as necessary. Thus, the system can react dynamically to changing conditions.

Policies

Policy Library

All University policies can be found on the Policy Library website (policy.umn.edu). The website provides quick, easy access to administrative policies and associated documents, so that all faculty, staff, and students are able to find and follow the rules that govern University activities.

Use the search feature to find the specific policies referenced in this manual, or select “Finance” on the homepage to review all financial policies.

Each policy contains additional information on:

- Procedures
- Forms/Instructions
- Appendices
- FAQ's
## Policies (cont.)

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<td>Accepting and Managing Gifts</td>
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### Related Board of Regents Policies

- Code of Conduct
- Purchasing
Many University forms can be found on the Forms Library website (policy.umn.edu/forms-library). The website provides quick, easy access to required or optional forms allowing the University to collect data in a clear, concise, and consistent manner. Each form in the library is assigned an alpha-numeric value.

Use the search feature to find the specific title or number of the form referenced in this manual, or select “Finance” on the Policy Library homepage to review all financial forms within the library.

**Forms Relevant to Purchasing**

- Capital Equipment Asset Receipt Form: um1681.pdf, um1681.docx
- Code of Ethics
- Department Request for Exception to Board of Regents Policy
- Nonresident Alien Data Collection Worksheet
- Performance Agreement
- Professional Services information Sheet (PSIS)
- Statement of Work Attachment for Professional Services
- Supplier Authorization Form: Changes to an Existing Supplier
- Supplier Authorization Form: New Supplier
Policies (cont.)

Code of Ethics

Any departmental employee responsible for any portion of the purchasing process is expected to review and sign the Code of Ethics. It is to be reviewed annually by the employee and supervisor and kept on file in the department. This form is available in the “Purchasing Goods and Services” policy and on the Purchasing Services website.

University of Minnesota

CODE OF ETHICS
for
Departmental Faculty and Staff
Responsible for Buying

RESPONSIBILITY STATEMENT: With regard to my responsibilities for departmental purchasing, I accept the responsibility to:

1. Support and uphold the values, policies and procedures of the University of Minnesota in all my purchasing activities, since compliance with good public purchasing practice ensures the continued flow of public funding to the University.

2. Complete appropriate training for my departmental purchasing responsibilities and continue on-going (refresher) training as needed to ensure my department follows University policies and procedures.

3. Read Purchasing Services’ communications and advise my department on implementing any new procedures, forms, systems, and policies.

4. Maintain a high level of ethics:
   a. Have no financial or personal beneficial interest directly or indirectly with suppliers when I am in a position to influence the University’s decision to purchase from those suppliers.
   b. Decline rebates, gifts, money, or anything of value offered by suppliers other than items of nominal (under $5) value.*

5. Conduct business with suppliers:
   a. In an atmosphere of honesty and good faith, without intentional misrepresentation and with equal objectivity and fairness to all suppliers. I will also demand honesty of sales representatives in all matters regarding the University of Minnesota.
   b. Affording prompt and courteous reception as business conditions permit to suppliers who arrange to meet with my department on legitimate business missions. (This does not include unarranged visits).

6. Strive to obtain the maximum value for each purchase, including use of cost-effective purchasing processes.

7. Afford maximum opportunity to small businesses and businesses owned by minorities, women, and persons with disabilities.

I have read and understand the above statements, and agree to meet the expectations to the best of my ability while performing my department’s purchasing functions for the University of Minnesota.

Print or Type Name ____________________________
Signature ____________________________ Date ____________

*Violation is subject to disciplinary action by the University of Minnesota, and is considered a misdemeanor under Minnesota Law, M.S. 15.43.

(Revised 3/11/16)
15.43 Acceptance of Advantage by State Employee; Penalty.

Subdivision 1. Financial interest of agents. No employee of the state or of the University of Minnesota in direct contact with suppliers or potential suppliers to the state or the university, or who may directly or indirectly influence a purchasing decision or contract by establishing specification, testing purchased products, evaluating contracted services, or otherwise has official involvement in the purchasing or contracting process may:

(1) have any financial interest or have any personal beneficial interest directly or indirectly in contracts or purchase orders for goods or services used by, or purchased for resale or furnished to a department or agency of the state or the university; or

(2) accept directly or indirectly from a person, firm, or corporation to which a contract or purchase order has been or may be, awarded, a rebate, gift, money, or anything of value other than items of nominal value. No such employee may further accept any promise, obligation or contract for future reward.

Subd. 2. Textbooks exempted. Textbooks, software, and other course materials authored by an employee of the Minnesota State Colleges and Universities or of the University of Minnesota may be used as required course material. Instructors in state institutions and at the university may accept free samples of textbooks and related teaching materials.

Subd. 3. Other exemptions. The commissioners of human services and corrections may by rule prescribe procedures for the acceptance of gifts from any person or organization, provided that such gifts are accepted by the commissioner, or a designated representative of the commissioner, and that such gifts are used solely for the direct benefit of patients or inmates under the jurisdiction of the accepting state officer.

Subd. 4. Penalties. A violation of this section is a misdemeanor.

“Nominal value” (under $5) allows only for such items as a supplier’s stick pen or calendar. Suppliers offering larger gifts or gratuities should be encouraged to donate an institutional gift through the Office of Development, or to donate to a nonprofit charitable organization associated with the University (such as the Ronald McDonald House or Potter House).

The University of Minnesota Foundation is the receiving point for gifts made to the University. (See the “Accepting and Managing Gifts” policy.)
Purchasing Professional Services

Professional services are defined as customized services consisting of specialized intellectual or creative expertise based on personal skills or ideas of an individual(s) that are provided for a fee, which may be determined individually with each customer for each service contract.

Contracts with professional services providers must:

- be fully and formally approved consistent with the president’s delegation of authority before work begins;
- comply with Internal Revenue Service (IRS) requirements for defining employees and independent contractors;
- comply with special requirements of projects supported by sponsored funds;
- include a complete statement of work including any deliverables;
- use either the University’s standard Contract for Professional Services (CPS) with no alterations, additions, or omissions, or use a contract that has been reviewed and approved by the Office of the General Counsel;
- not conflict with other University policies.

Additionally:

- For purchases $50,000 and over, a competitive bidding process must be used to select a service provider;
- For purchases under $50,000, the department may request that Purchasing Services conduct a bidding process or the department may document some other credible basis for contractor selection, basis for price, and assurance that price is reasonable.
The following diagram illustrates the procurement process for all goods and services.* The supplier selection and verification process will be covered in detail later in this manual.

*Note: U Market requisitions/orders do not require receiving and are automatically vouchered by U Market Services staff. Once the PO is dispatched to U Market, no other data entry is required by the department/cluster.
Procurement Process (cont.)

Requisition Approvals

After a requisition is created, the system routes it to approvers as defined by the DeptID, the value of the requisition, and whether the requisition uses sponsored or non-sponsored funds. In some cases the system will also route it for approvals based on the type of category or supplier type entered in the requisition. The system routes the requisition to approvers who view the requisition and take action. Approvers can preview the path a transaction approval will take and review who has already approved the transaction along with any comments previous approvers entered.

The higher the dollar value of a requisition, the larger the number of approvals that may be required. Preparers must account for the time needed to gain approval on a high-dollar-value requisition, especially those above $50,000 that may require bidding.

During the approval process these actions take place:

- The system notifies primary approvers that there is a pending transaction that needs their attention.
- Approvers access the transaction details, provide comments, and take action (approve or send back with comments).
- The system checks for additional approvals required due to dollar value, and then routes the requisition accordingly.
- If the requisition has not had action taken on it within five days, the system will email the requisition preparer to follow up with the approver(s).
- If a designated approver no longer exists in the system (e.g., he or she has left the University), the requisition will receive a workflow error. If that happens, contact the University Financial Helpline.
Procurement Process (cont.)

Requisition Budget Check

The requisition budget check provided through commitment control is a scheduled batch process that happens multiple times daily. It verifies whether all “approved” requisitions have valid ChartField strings. If there are no errors during the budget check process, the requisition is pre-encumbered and will continue to proceed to the next phase in the procurement process.

If budget check errors exist, the requisition will not proceed. This type of failure will appear as “error” in the Manage Requisitions page’s Budget Status field. Requisition preparers are responsible for resolving any budget check errors. For assistance with establishing valid ChartField strings, contact the cluster financial director.

Purchase Order Sourcing, Creation, and Budget Check Processes

Once a requisition has passed the approval and budget check processes, it automatically initiates the sourcing process. Sourcing verifies whether the supplier is valid (approved and open for ordering). A requisition preparer may edit a requisition until the point of sourcing. Once it enters sourcing -- including when it receives a sourcing error -- only the procurement specialist may take action on the transaction. If no sourcing errors exist, the financial system will automatically create a Purchase Order (PO). Once the PO is created, the system will automatically perform a second budget check, referred to as the PO budget check. This relieves the pre-encumbrance on the requisition and establishes an encumbrance on the PO(s).

It is the requisition preparer’s responsibility to monitor a requisition to ensure it successfully progresses through the system.
### Procurement Process (cont.)

<table>
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<tr>
<th><strong>Purchase Order Dispatch</strong></th>
<th>After the PO is created and passes the PO budget check, the dispatch method indicated on the supplier record automatically determines how the PO will be dispatched (via email, U Market (EDX), print, or phone) to the supplier.</th>
</tr>
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**Expediting and Dispatching**

While it should be a rare occurrence, there are two primary reasons why a requisition must be expedited: (a) if the supplier requests to have the PO sent to an address or dispatch method other than the supplier record’s default or (b) if the PO must be sent to the supplier before the next scheduled batch. Either way, the preparer must contact the cluster procurement specialist to request that the requisition be manually expedited and dispatched. This process should be used very rarely as the batch process to convert requisitions to POs and dispatch them runs multiple times per day. The procurement specialist should be asked to expedite and dispatch only when it best meets the University’s needs.

In order for a requisition to be expedited, the requisition must be in approved status, have a valid budget, and a supplier must be assigned.

Expediting a requisition will not bypass the approval process. Make sure to enter requisitions in a timely manner to avoid the need to use the expedite process.

To request that a requisition be expedited:

1. Communicate with both the approver(s) and procurement specialist to ensure they are available to perform their tasks within the timeframe before the next scheduled procurement batch process.

2. Create and submit the requisition.

3. After the requisition is approved, contact the procurement specialist, communicate the requisition number, and request to have the requisition expedited.

4. The procurement specialist completes the steps to manually expedite the requisition and source and dispatch the PO.
**Receiving**

After a requisition is entered, approved, and budget checked, the financial system will source it to a purchase order, and send (dispatch) it to the supplier. When the PO’s items or services are delivered as expected, a receipt must be recorded in the financial system. This enables the University to track the quality and promptness of suppliers, and provides internal controls.

**Tracking Receipts**

The financial system assigns a receipt ID to each saved receipt. A process matches the receipts to the purchase orders and vouchers (to confirm that the goods were received or the services were rendered) before the supplier is paid.

A receipt is usually recorded based on the quantity that is received. However, POs can also be received by dollar amount, using the unit of measurement of “1 Lot.” Blanket-order shipments must be received based on dollar amount only, not on quantity, and the invoice for the shipment must reference the appropriate blanket order.

**Role of the Receiver**

The financial system enables departmental receivers (many times the requisition preparer) to record the receipt of goods and services. If the financial system Accounts Payable module records a voucher (supplier’s invoice) for a purchase order but no receipt is found, the supplier will not be paid until the receipt is entered. This is called a match exception.

In the case of capital assets and equipment, the procurement specialist must receive the asset purchase. To initiate the receipt of the capital equipment asset, departments must complete the Capital Equipment Asset Receipt Form located in the UWide Forms Library. The completed form is forwarded to the cluster’s procurement specialist.

Note: All POs must be received within the financial system except U Market orders. U Market POs are the only exception to this system rule.
Purchasing Items without a Purchase Order

It is expected that a requisition/purchase order will be used to purchase goods and services on behalf of the University. However, there are some unique situations where the requisition process is not required. A requisition/purchase order is not required in the following situations:

1. **Procurement Card (PCard) purchases.** PCard purchases for travel-related expenses, memberships, subscriptions, and other miscellaneous charges do not require a requisition. In addition, use of the PCard is encouraged for low dollar (e.g., less than $100) purchases. For a complete list of items that may be purchased using the PCard, visit the Using the University Procurement Card policy.

2. **Non Purchase Order (PO) Related Payments list.** Items maintained on the special payments list do not require a requisition. These items include books, membership fees, etc. that are generally paid for with the PCard or a non PO voucher. To view a complete list of the items on the Non PO Related Payments list, visit the Policy Library.

3. **Purchases from a University of Minnesota internal sales unit or auxiliary supplier, except U Market.** Purchases using internal University suppliers (except U Market) do not require a purchase requisition. Work with the individual unit to determine the method to be used for ordering and paying these internal suppliers.

4. **Out of Pocket Purchase Provision.** Occasionally, a special situation may arise where an unanticipated purchase is necessary, and circumstances make it impossible to use one of the approved purchasing processes (U Market, PCard, purchase order, etc.). In this situation, an employee should attempt to secure preapproval from their approving authority to make an out of pocket purchase. If circumstances do not allow for preapproval, the employee should use best judgment as to the appropriateness of an out of pocket purchase, then seek post-approval as soon as possible. With appropriate documentation and departmental approval, out of pocket purchases are reimbursable to the employee (assuming the purchase meets all other compliance and policy requirements for allowability and reasonableness).
Purchasing Items without a Purchase Order (cont.)

Guidelines For Determining Appropriateness of Out of Pocket Purchasing:

- The purchase is directly related to the employee’s work.
- The purchase could not be anticipated.
- There is an immediate need for the goods/services.
- An approved purchasing method cannot be used.
- The price is “reasonable” (competitive in the marketplace).

The employee should not invoke the University’s tax-exempt status when making an out of pocket purchase. Since the University is not directly making the purchase, it does not apply. For approved out of pocket purchases, all sales taxes associated with the purchase will be reimbursed to the employee.

Note: The Out of Pocket method may not be used to purchase equipment exceeding $2499, or to purchase professional services of any dollar amount.
Supplier Selection

At the University, the terms vendor and supplier mean the same thing. Supplier is used most often when referring to specific fields in EFS. Prior to starting a new requisition, the supplier must be determined, except in the case of a requisition that requires bidding. It is the responsibility of the preparer to verify that the supplier information is set up in the financial system and is valid. If the supplier is not valid, a sourcing error will occur. If the supplier is not valid (“approved” and “open for ordering”), the preparer must go through the new supplier authorization or change an existing supplier process.

The supplier selected for a requisition is determined by a number of factors. In general, suppliers should be selected in the following manner:

TRY THIS FIRST: U Market

- It is an expectation that departments will purchase standard goods through U Market whenever possible.

THEN TRY THIS: University of Minnesota Auxiliary or Internal Sales Suppliers

- Select an internal sales or auxiliary supplier if goods or services are available from them.
- Orders placed with internal sales or auxiliary suppliers do not use the requisition process.

THEN TRY THIS: U-Wide Contract Suppliers

- Prices have been pre-negotiated for specific contract items or services.
- U-Wide Contract suppliers can be found at the U-Wide Contracts website: uwidecontracts.umn.edu
- A U-Wide Contract with a particular supplier does not mean all their products are included in the contract award.
- Contracts are rebid from time to time so always check the U-Wide Contracts website before entering a requisition for contract items.
- Purchases $250,000 or more must follow the bidding process.
- A completed Department Request for Exception to Board of Regents Policy form (see the UWide Forms Library) must be attached to requisitions for U-Wide Contract items $250,000 or more that are only available from a single source. Purchasing Services will review the form and determine whether the requisition may be waived from the bidding process. Contact Purchasing Services before the requisition is created to determine whether the purchase is eligible to bypass the bidding process.
FINALLY TRY THIS: Non U-Wide Contract Supplier

- Preparers are encouraged to use woman- or minority-owned suppliers, or small businesses (see the Purchasing Services or U-Wide Contracts websites).

- A completed Price and Supplier Justification form must be attached to requisitions $10,000 to $49,999 except for Professional Services (see the Forms Library).

- Requisitions $50,000 or more must follow the bidding process.

- A completed Department Request for Exception to Board of Regents Policy form (see the UWide Forms Library) must be attached to requisitions for purchases $50,000 or more that are only available from a single source. Purchasing Services will review the form and determine whether the requisition may be waived from the bidding process. Contact Purchasing Services before the requisition is created to determine whether the purchase is eligible to bypass the bidding process.

Before beginning a requisition, the preparer must verify the supplier file is set up and is valid for ordering.
Supplier Selection: Purchases Totaling $50,000 or Greater

Whenever a high dollar value purchase that totals $50,000 or greater is required, departments must know the following thresholds established in the University's Purchasing Goods and Services Policy. Knowing these thresholds will help determine when the competitive proposal or bid process through Purchasing Services is required.

**COMPETITIVE BID OR PRICE SELECTION THRESHOLDS**

A) Standard goods or services purchases:

- $50,000 or greater from a supplier that is not a U Wide Contract supplier or a U of MN Internal Sales Organization
- $250,000 or greater from a U-Wide Contract supplier

B) Professional services:

- $50,000 or greater

C) Construction or Facilities Management purchases:

- $100,000 or greater for construction professional services
- $250,000 or greater for construction services

Note: Any EFS requisition totaling $50,000 or greater will route to Purchasing Services for review. Any purchase totaling $1 million or greater will require offline approval by the Board of Regents.

Procedures for Initiating the Competitive Bid or Price Selection Process

Once it is known that a high dollar value purchase is required, it is recommended that departments contact Purchasing Services at purchase@umn.edu to request assistance from the Category Manager for the purchase's associated commodity.

Before the competitive bid or proposal process may formally begin, a requisition must be entered into EFS. The requisition must contain the following criteria for the requisition to route to Purchasing Services: requisition totals $50,000 or more; the Supplier ID must be left blank; and the <Save and Submit> button must be clicked.
Supplier Selection: Purchases Totaling $50,000 or Greater (cont.)

Once saved and submitted, the requisition will route to its associated DeptID and Certified Approvers (if sponsored). Once approved by the DeptID, Certified, and any other Central Approvers, the requisition will route to Purchasing Services. The Category Manager will review the information entered into the requisition and facilitate the competitive proposal or bid process through the University’s MBid system. Once the deadline has passed for potential suppliers to submit their bids or proposals, Purchasing Services will refer those that meet the criteria to the department. It is an expectation that the department will select the supplier offering the lowest price or the best overall solution.

Once the supplier is awarded, Purchasing Services will enter the supplier and finalized price onto the requisition and it will re-route for approvals. Once approved, the requisition will source to a PO and be dispatched to the supplier. The department will also be required to submit follow-up documentation to Purchasing Services to document why the supplier was selected among the pool of eligible suppliers.
MyU

MyU (myu.umn.edu) is the University’s enterprise portal. The purpose of MyU is to help people be successful in getting their business done at the University of Minnesota. MyU provides timely, relevant, and accurate information based on your role at the University.

Log into MyU (myu.umn.edu) to access the Enterprise Financial System (EFS).

Navigate to: Key Links > PeopleSoft > EFS/Finance
Searching for a Supplier in the Financial System

Once it is determined that a supplier external to the University is needed for a requisition for goods or services, the preparer must locate the supplier record in the financial system and verify that the information is current before adding the supplier to a requisition. Supplier information can be viewed in two distinct areas in the financial system. The method below is preferred.

The first step in this process is searching for the supplier record in the financial system.

Navigate to: Main Menu > Suppliers > Supplier Information > Add/Update > UM Review Suppliers.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier ID</td>
<td>Supplier ID number assigned by the financial system.</td>
</tr>
<tr>
<td>Name</td>
<td>The full name of the supplier.</td>
</tr>
<tr>
<td>Short Supplier Name</td>
<td>Search for a supplier by the sort name listed on the supplier record.</td>
</tr>
<tr>
<td>Additional Name</td>
<td>Used for long names that exceed the Name field character limit.</td>
</tr>
<tr>
<td>ID Number</td>
<td>The state of Minnesota tax identification number of the supplier.</td>
</tr>
<tr>
<td>Supplier Status</td>
<td>Options for searching include: Approved, Denied, Inactive, To Archive, Unapproved.</td>
</tr>
<tr>
<td>Find</td>
<td>After search criteria has been entered, click &lt;Find&gt; to search.</td>
</tr>
<tr>
<td>Reset</td>
<td>To clear the entered search criteria, click &lt;Reset&gt;.</td>
</tr>
</tbody>
</table>
Searching for a Supplier in the Financial System (cont.)

The search results will display.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier ID</td>
<td>Supplier ID number assigned by the financial system.</td>
</tr>
<tr>
<td>Supplier Name</td>
<td>Search for a supplier by the sort name listed on the supplier record.</td>
</tr>
<tr>
<td>Supplier Status</td>
<td>Displayed results could include: Approved, Denied, Inactive, To Archive, Unapproved. Only suppliers with Approved status may be used for requisitions or voucher payments.</td>
</tr>
<tr>
<td>Terms</td>
<td>Payment terms set for the supplier. Net is indicated by “N”. Numeric values after “N” indicate the time frame (e.g., 30 days, 10 days).</td>
</tr>
<tr>
<td>Payment Method</td>
<td>The preference for how the supplier will be paid by the University of Minnesota (e.g., “EFT” Electronic Funds Transfer, “Check” a paper check mailed to the supplier).</td>
</tr>
<tr>
<td>Location</td>
<td>Describes the general type of location.</td>
</tr>
<tr>
<td>Remit Addr Seq #</td>
<td>Multiple sequences identify more than one remit to address for the supplier.</td>
</tr>
<tr>
<td>Remit Address Line 1</td>
<td>The mailing address for each of the remit address sequence values.</td>
</tr>
<tr>
<td>Remit Address Line 2</td>
<td>Additional mailing addresses for each of the remit address sequence values.</td>
</tr>
<tr>
<td>Supplier Icon</td>
<td>Additional detailed information on the supplier can be accessed when clicking the supplier icon on the last column of search results.</td>
</tr>
</tbody>
</table>
The **Supplier Detail** page will display when clicking the supplier icon on the **Search Results** page.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>SetID</td>
<td>“UMFIN” is the primary ID for suppliers in the financial system.</td>
</tr>
<tr>
<td>Supplier ID</td>
<td>Supplier ID number assigned by the financial system.</td>
</tr>
<tr>
<td>Short Supplier Name</td>
<td>Supplier short name listed on the supplier record.</td>
</tr>
<tr>
<td>Additional Name</td>
<td>Used for long names that exceed the <strong>Supplier Name</strong> character limit.</td>
</tr>
<tr>
<td>Address Sequence Number</td>
<td>Numeric value indicating multiple addresses exist for the supplier.</td>
</tr>
<tr>
<td>Supplier Name</td>
<td>Full supplier name.</td>
</tr>
<tr>
<td>ID Number</td>
<td>The state of Minnesota tax identification number of the supplier. Only the last four digits of the value will display. The other values are masked by “XXXX.”</td>
</tr>
<tr>
<td>Open for Ordering</td>
<td>Requisition preparers use this page to verify the supplier is open for accepting orders. Value should indicate “Y” for yes.</td>
</tr>
</tbody>
</table>
Supplier: Detail Page (cont.)

**Standard ID Qualifier**  Identifies the type of value used for the *ID Number* field. Value used is a Tax ID.

**Dispatch Method**  The supplier preference on how purchase orders are received by the supplier.

**Description**  Additional details pertaining to the dispatch method (e.g., a fax number or an email address may display).
Request a New Supplier or Change an Existing Supplier

Use the decision tree below to determine whether a new supplier or a change to an existing supplier needs to be requested. The forms listed below are located in the Forms Library at policy.umn.edu/forms.

<table>
<thead>
<tr>
<th>Form</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier Authorization Form: New Supplier (UM 1679A)</td>
<td>Form used to gather necessary information to set up a new supplier in the financial system.</td>
</tr>
<tr>
<td>Supplier Authorization Form: Changes to an Existing Supplier (UM 1679B)</td>
<td>Form used to gather necessary information to update an existing supplier record.</td>
</tr>
<tr>
<td>IRS W9</td>
<td>IRS form used to collect tax ID from the supplier.</td>
</tr>
<tr>
<td>Independent Contractor Authorization Form (UM 1650)</td>
<td>Form used to determine whether an employer/employee relationship exists for employment tax purposes.</td>
</tr>
<tr>
<td>W-8BEN or W-8BEN-E</td>
<td>Foreign suppliers must complete one of these two IRS forms.</td>
</tr>
</tbody>
</table>

**Request a New Supplier**
- Complete the Supplier Authorization Form.
- Obtain a completed W9 from the supplier.
- If the supplier is an Individual or Sole Proprietor, complete the Independent Contractor Authorization Form.
- If the supplier is foreign, they must complete the W-8BEN or W-8BEN-E.
- Email the Supplier Authorization Form, IRS W9, and the Independent Contractor Authorization Form (when applicable) to vndrimg@umn.edu. NOTE: The subject header must be NEW.
- Supplier Maintenance will set up the supplier in the financial system and send the supplier number back to department contact.

**Change an Existing Supplier**
- Determine what information needs to be changed.
- If the charge is to the supplier’s tax ID, follow the Request a New Supplier steps.
- Obtain the information from the supplier.
- Complete the Supplier Authorization Form: Changes to an Existing Supplier (UM 1679B) indicating the department contact information and the supplier’s new information.
- Email the Supplier Authorization Form: Changes to an Existing Supplier (UM 1679B) to vndrimg@umn.edu. NOTE: The subject header must be the supplier’s 10-digit EFS supplier ID number.
- Supplier Maintenance will set up the supplier in the financial system and send the supplier number back to department contact.
Create Requisitions

To create a requisition, navigate to: **Main Menu > eProcurement > Requisition.**

The **Create Requisition** page is where the process of ordering items and services starts. Use the following five options related to ordering items and services:

1. **Use Web** to browse suppliers in U Market.
2. **Use Templates** to create groups of items ordered frequently or always ordered together. *Note: Use of this tab is discouraged, as prices may change over time which can create issues with PO.*
3. **Use Standard Purchase** to order from a non-catalog supplier.
4. **Use Other Purchases** to create requisitions for blanket orders or to create requisitions to purchase professional services.
5. **Use Favorites** to create a list of frequently ordered items. *Note: Use of this tab is discouraged, as prices may change over time which can create issues with the PO.*
Ordering from U Market

It is an expectation that whenever possible, departments will purchase common lab, office, and maintenance supplies through U Market.

Orders through U Market can be initiated in two different manners:

- U Market shoppers log in to U Market, add items to a shopping cart, and assign the cart to a requisition preparer. The requisition preparer finalizes the order and creates a requisition.
- An initiator communicates the need for goods to the requisition preparer, they log in to U Market, add items to a shopping cart, and process the requisition.

Navigate to: Main Menu > eProcurement > Requisition > U Market.

U Market contains **hosted catalog suppliers** that have negotiated pricing for the University and integrated their catalogs within the U Market system.

The most commonly ordered items (copy paper, post-it notes, tissue, etc.) are warehoused at the University. Items we have on-hand are known as U Market Stock.

Some suppliers in U Market are **punchout suppliers**. This status is noted by a small box and arrow on upper right hand corner of suppliers icon. Clicking on punch out supplier’s icon will cause a “punch out” of U Market and it will go directly into the supplier’s online ordering website where the supplier has negotiated discounted rates specifically for the University. When finished adding items to the cart on the site, click <Return Cart to Purchasing Application>. Click <Submit>. Doing so will extract the items from the cart on the supplier’s website and bring them into the cart in U Market, where the order will be completed.
Ordering from U Market (cont.)

Search for items to order on the Home/Shop page using key words in *simple search* field.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access profile</td>
<td>To set up assignees, codes, ship to locations.</td>
</tr>
<tr>
<td>List of draft</td>
<td>carts and carts assigned to the requester.</td>
</tr>
<tr>
<td>Messages</td>
<td>About the status of a cart, purchase order, or invoice.</td>
</tr>
<tr>
<td>Active Cart</td>
<td>US Dollar amount.</td>
</tr>
<tr>
<td>Alt Q</td>
<td>Quick Search for documents, order status, or fields.</td>
</tr>
<tr>
<td>Home/Shop</td>
<td>Draft and Active Cart list.</td>
</tr>
<tr>
<td>Document Search</td>
<td>For carts, purchase orders, and invoices by the respective numbers.</td>
</tr>
<tr>
<td>View and search</td>
<td>for contracts.</td>
</tr>
<tr>
<td>Accounts</td>
<td>Payable, search for receipts and invoices.</td>
</tr>
<tr>
<td>Alt M</td>
<td>Menu key word search to find other fields in the system.</td>
</tr>
<tr>
<td>Advanced Search</td>
<td>Search by supplier, part number, or manufacturer name.</td>
</tr>
<tr>
<td>Favorites</td>
<td>Click the &lt;New&gt; button to create a Personal favorites folder. Name the folder.</td>
</tr>
<tr>
<td></td>
<td>Use the &lt;Add to Favorites&gt; link next to each item that is selected to save in the Favorites folder.</td>
</tr>
</tbody>
</table>
Ordering from U Market (cont.)

**Quick Order**
Search for items by part number (SKU) to add to a cart.

**Suppliers**
List of all suppliers with the icons to show type of supplier.

**Categories**
Search for products by category and subcategories.

**Contract**
Not an active field at this time.

After a search is performed, the search function will display all items that match the search terms.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Price</td>
<td>Price listed per unit.</td>
</tr>
<tr>
<td>Unit of Measure</td>
<td>It the item is available in more than one UOM (e.g., “each” and “case”).</td>
</tr>
<tr>
<td>Quantity Ordered</td>
<td>The quantity to be ordered. Defaults to “1”.</td>
</tr>
<tr>
<td>Add to Cart</td>
<td>Adds the item to the active cart; USD total for the cart updates with the addition of each item.</td>
</tr>
<tr>
<td>Add Favorite</td>
<td>Click to add item to a Favorite folder where selected items can be saved for ease of ordering in the future. See “Creating and Using Favorites” video and Quick Reference Guide for more information.</td>
</tr>
<tr>
<td>Compare</td>
<td>Select up to three items to compare features of the product side by side.</td>
</tr>
<tr>
<td>Add Keywords</td>
<td>Enter additional keywords and click &lt;Go&gt; to narrow search results.</td>
</tr>
<tr>
<td>Filter Results</td>
<td>Click on the filters to see the products from that category highlighted in the original search results.</td>
</tr>
</tbody>
</table>
Ordering from U Market (cont.)

Once all items have been added to the cart, the cart must be submitted to the financial system. Click the Active Cart USD icon to view cart or checkout.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name this cart</td>
<td>Name is the date the cart was initiated and the name of the person who started the order by default. Give the cart a unique name or use a department naming convention to make the cart easier to find.</td>
</tr>
<tr>
<td>Update</td>
<td>Click to save any changes made to the order.</td>
</tr>
<tr>
<td>Continue Shopping</td>
<td>Returns to the Home/Shop page.</td>
</tr>
<tr>
<td>Help</td>
<td>Definitions of terminology on the site.</td>
</tr>
<tr>
<td>Proceed to Checkout</td>
<td>Click button when ready to add category codes.</td>
</tr>
<tr>
<td>Assign Cart</td>
<td>Click to assign cart to an assignee/requisition preparer who can complete the order in EFS.</td>
</tr>
<tr>
<td>Empty cart</td>
<td>Remove all the contents from the cart. Name will remain on empty cart.</td>
</tr>
</tbody>
</table>
Select the appropriate category codes for the items ordered in the cart.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital/NonCapital</td>
<td>Items that meet the definition of a newly acquired capital asset should be given the code “Capital”. Definition of capital equipment asset is an item priced over $5000 that has a shelf life of more than one year and is not affixed to a building. All other items should be coded “Non Capital”.</td>
</tr>
<tr>
<td>Class</td>
<td>Select the type of item.</td>
</tr>
<tr>
<td>Category</td>
<td>Further refine the type of item.</td>
</tr>
</tbody>
</table>
Ordering from U Market (cont.)

After the codes have been selected, click <Return Cart to EFS> to move the products from the cart in U Market into an EFS requisition. All additions or changes to the cart must be complete before returning the cart to EFS.

The item you have ordered is brought over to the Checkout – Review and Submit page.
The requisition preparer is responsible for finishing and submitting the carts assigned to them. See the “Create an EFS Requisition from a U Market Cart” job aid for more information.

- Navigate to: **Main Menu > eProcurement > Requisition > U Market.**
- Click <Action Items>.
- Locate the intended cart.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create a Cart</td>
<td>Start a new blank cart.</td>
</tr>
<tr>
<td>Assign a Substitute</td>
<td>Allows requisition preparer to select alternate requester to complete carts when they are out of office for an extended time for vacation or business trip. See “Assign Substitute Roles” video for more info.</td>
</tr>
<tr>
<td>My Drafts</td>
<td>Shopping carts that have been created by the requester that have not been submitted.</td>
</tr>
<tr>
<td>Drafts Assigned to Me</td>
<td>Shopping carts that have been assigned to requester by other shoppers. Requisition preparer reviews carts to confirm that Justification and ChartField information is present. See “Return a Cart for More Information” video if Justification and ChartField info is not complete, or add info as necessary.</td>
</tr>
<tr>
<td>Drafts Assigned to Others</td>
<td>Shopping carts that have been assigned by requester to others.</td>
</tr>
<tr>
<td>Shopping Cart Name</td>
<td>Click a cart name to open the cart. Click &lt;Proceed to Checkout&gt;. Verify that category codes have been selected.</td>
</tr>
</tbody>
</table>
Create an EFS Requisition from a U Market Cart

The requisition preparer must review the items submitted by the shopper and ensure they are correct. Once verified, click <Return Cart to EFS>.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cart</td>
<td>View category codes and lines with items from the active cart.</td>
</tr>
<tr>
<td>Justification</td>
<td>Check on the Justification tab to see the note from the shopper. Verify that the Justification is complete with the 5Ws (who, what, where, when, why) and that the ChartField string is included. NOTE: It is recommended that the requisition preparer highlight the text of the note and copy it (CTRL+C) in order to paste it into another page later.</td>
</tr>
<tr>
<td>Attachments</td>
<td>If you need to add an attachment, return to the Cart summary tab and click the &lt;add attachment...&gt; link.</td>
</tr>
<tr>
<td>History</td>
<td>All actions taken on a cart are recorded in a list with times, status, and notes.</td>
</tr>
<tr>
<td>Return Cart to EFS</td>
<td>Total contents of the cart are transferred from the cart in U Market to a requisition in EFS. Review Requisition Summary to see lines in the order.</td>
</tr>
<tr>
<td>Assign Cart</td>
<td>Select assignee to complete cart. Requisition preparers complete their own carts in most cases.</td>
</tr>
</tbody>
</table>
Requisition preparers review carts that have been assigned to them by shoppers to verify that a complete Justification, ChartField information, and shipping detail is included. Depending on departmental processes, a requisition preparer might return a cart to a shopper in order to collect any missing information before the cart is submitted for EFS approval. Once finished, click <Proceed to Checkout> and follow the instructions discussed in this reference manual’s “Checkout - Review and Submit Screen” section.

**Item** | **Description**
--- | ---
**Return Cart** | When the button is clicked, a pop-up box is provided to type a note of explanation to the shopper about the information that is missing. Give contact information and directions about completing the information needed and resubmitting the cart.
Checkout - Review and Submit Page

Once all items have been added to the requisition, clicking on <Checkout> takes you to the Checkout - Review and Submit page. This page is used to review and modify requisition and line information. Information can be changed on an individual line basis or for all lines at once.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Requisition Settings&gt;</td>
<td>Provides access to Requisitions Settings page.</td>
</tr>
</tbody>
</table>
REQUISITION SUMMARY

Business Unit
Defaults to “UMN01” for all University purchases and cannot be changed.

Requester
ID of the requisition preparer or requester selected at the start of the requisition.

Requisition Name
(30 characters) Description of the requisition to help identify it in the system. Enter a name that clearly describes the requisition. If the department has naming conventions, follow them. If no entry is made, the system-assigned requisition ID number populates this field when the requisition is saved.

Currency
Defaults to USD (US Dollar) and must never be changed.

Priority
Defaults to “Medium.” This field is visible to approvers. “Low” or “High” can be selected but this does not expedite the requisition in any way.

CART SUMMARY

 <+ Add More Items> Return to previous page to add a new item (line)

Expand Section
Click this icon to expand the line item and view details for the line. ChartField information can be entered when the section is expanded.

Line
The requisition line number assigned by the financial system. Lines can be modified or deleted by selecting the line checkbox.

Description
Description of the item. This information defaults from the Add Items and Services page. This is the description that was entered in the Item Description field when the line was created or modified.

Item ID
Do not use.

Supplier
Name of supplier.

Quantity
Number of items to purchase.

UOM
Unit of measure.

Price
Item price.

Total
System-calculated total cost per requisition line.
Checkout - Review and Submit Page (cont.)

Line Details (icon)  Do not use.

Comments (icon)  Click to open the Line Comments page. Additional comments about the line item may be added or viewed. Documents can also be attached or viewed. See later in this manual for more information.

Delete (icon)  Click this button to delete the requisition line.

Ship To Address  Full business address of where the order will be delivered (P Location). Ship-to codes begin with the letter “P” followed by the DeptID, followed by a four-digit code (e.g., P10084001). If the desired location does not display when the look-up icon is clicked, complete and submit Form UM 1686: Request a New Location.

Attention To  Defaults to the requester’s name and may be manually changed, if desired.

Due Date  Do not use.

<Add Ship to Comments>  Do not use.

<Add One Time Address>  Do not use.

Distribute By  Determines how the requisition’s ChartField information will be distributed. Defaults to “Qty” (quantity) but can be changed to “Amt” (amount). This will allow for calculation of split distribution based on quantity or dollar amount.
SpeedChart

Do not use.

Accounting Lines

ChartFields for the line. These fields may be populated based on predefined defaults, or in the case of Account, from the selected category. If the account value is incorrect, go back to the item and select a different category. Use these fields to make changes to individual requisition lines.

NOTE: U Market Account codes cannot be edited once the cart is in EFS. A new cart would have to be added and the incorrect line must be deleted.

Splitting the distribution of a requisition line means allocating the cost of the line to two or more ChartField strings.

How to Split Cost of Line Across Two or More ChartFields

Step #1 - In Accounting Lines section scroll to far right and click on “+” icon to add a second row. Repeat if needed to add more rows.

Step #2 - Scroll to the left and click on Show All Columns icon to add more fields to the row(s). Fill in ChartField information for each row.

Step #3 - Scroll to the right and fill in the Percent field with split amount.
### Checkout - Review and Submit Page (cont.)

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select All/ Deselect All</td>
<td>Select this checkbox to take some action on all lines that are selected. The most common action taken is Delete Selected.</td>
</tr>
<tr>
<td>Add to Favorites</td>
<td>Use Add to Favorites option to move information about items being ordered to your list of frequently ordered items. Preparers can then add items to a requisition from this list. Use of this feature is discouraged, as prices may change over time which can create issues with the PO.</td>
</tr>
<tr>
<td>Add to Templates</td>
<td>Saves a group of items that are frequently ordered together into a single template. These items can then be continually reordered by using the Add to Templates option to select some or all of the template items for the requisition. Note that prices and other details about items in templates are not automatically updated, so using templates may result in inaccurate information.</td>
</tr>
<tr>
<td>Delete Selected</td>
<td>Select one or more requisition lines and click this button to delete lines.</td>
</tr>
<tr>
<td>Total Amount</td>
<td>Total cost for the entire requisition.</td>
</tr>
</tbody>
</table>
| Requisition Comments and Attachments | Comments put in this field are called “header” comments as they apply to the entire order. Click <Send to Supplier> if they are to print on the PO. Information about Discounts, Shipping, Freight, Deliveries pertaining to whole order should be entered into this field. In addition, University forms (e.g., Price and Supplier Justification form) should be attached here.  
Note: When creating requisitions that include two or more lines and one of the lines requires specific information about Discounts, Shipping, Freight, or Delivery, this information should be entered as a “Line Level” comment by clicking on the Line Details icon. |
| Send to Supplier        | Only select this checkbox whenever comments and/or the attachment must be sent to the supplier with the purchase order.                                                                                     |
|                         | Important note: If the attachment must be sent to the supplier, both Send to Supplier checkboxes must be selected on both the Comments and Attachment sections or the supplier will not receive it. |
| Show at Receipt         | Select this checkbox to display comments at the time of receipt so receivers can verify the correct items have been received.                                                                           |
| Show at Voucher         | Select this checkbox to display comments at the time of voucher entry so the voucher preparer can verify that the University has been billed correctly.                                                      |
### Approval Justification
Must include the who, what, where, why, and when of the purchase (also known as the 5 Ws). University policy requires all requisitions to include justification information. Justification comments should not be sent to the supplier.

### <Add More Comments and Attachments>
Used to add additional comments and/or attachments at the header level.

### <Save & Submit>
Saves the completed requisition and routes it for approval.

### <Save for Later>
Saves requisition in “open” status. While in this status, no approvers will be able to review or take action upon it.

### <+ Add More Items>
Return to previous page to add a new item (line).

### <Preview Approvals>
Used to preview approval required for requisition.

### COMMENTS
Any information about discounts, shipping, freight, and delivery for the whole requisition should be entered into the Requisition Comments and Attachments field. Comments added to this field are called “header” comments and this information is printed out on the purchase order. The preparer can determine whether the supplier, receiver, and/or voucher preparer sees this information.

Note: When creating a requisition that includes two or more lines and one of the lines requires specific information about Discounts, Shipping, Freight, or Delivery, this information should be entered as a “Line Level” comment by clicking on the Line Details icon.

### ATTACHMENTS
In some cases, additional documents or forms must be attached to the requisition in the financial system. For example, all CPS-related requisitions require mandatory forms to be attached. To attach a document to requisition, click <Add more Comments and Attachments> on the Checkout – Review and Submit page.
Checkout - Review and Submit Page (cont.)

After clicking <Add more Comments and Attachments>, the **Header Comments** subpage appears, allowing preparers to enter additional comments regarding the requisition as well as add attachments. The preparer can determine whether the supplier, receiver, and/or voucher preparer sees this information. If an attachment is required, text must be entered in the comment box before the <Add Attachments> button will appear.
Checkout - Review and Submit: Requisition Comments and Attachments

If special instructions need to be included for the supplier, an attachment could be used for this purpose. Any attachments linked to a requisition and flagged “Send to Supplier” will be dispatched with the purchase order to the supplier. Make sure that internal documents such as the Price and Supplier Justification form or PSIS are not sent to the supplier.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use Standard Comments</td>
<td>Enter comments necessary for the requisition not already contained in the Requisition Comments and Attachments field.</td>
</tr>
<tr>
<td>Send to Supplier</td>
<td>Select this checkbox to send comments and/or the attachment to the supplier along with the purchase order. Do not select this checkbox unless all the comments and the attachment are meant for external communication.</td>
</tr>
<tr>
<td>Show at Receipt</td>
<td>Select this checkbox to display comments at the time of receipt so receivers can verify the correct items have been received.</td>
</tr>
<tr>
<td>Show at Voucher</td>
<td>Select this checkbox to display comments at the time of voucher entry so the voucher preparer can verify that the University has been billed correctly.</td>
</tr>
<tr>
<td>&lt;Add Attachment&gt;</td>
<td>Click to select and add an attachment to the requisition.</td>
</tr>
<tr>
<td></td>
<td>• Only one attachment may be added at a time. To add another attachment, click &lt;+&gt; to insert a new Header Comments row.</td>
</tr>
<tr>
<td></td>
<td>• Attachments are stored with the requisition throughout its life cycle.</td>
</tr>
<tr>
<td></td>
<td>• Important note: If an attachment must be sent to the supplier, both the “Send to Supplier” checkboxes must be selected on both the Comments row and the Attachment section or the supplier will not receive the attachment.</td>
</tr>
<tr>
<td></td>
<td>• A Price and Supplier Justification form must be attached for all non-U-Wide Contract requisitions $10,000 to $49,999. This form is considered mandatory by Purchasing Services and the Office of Internal Audits.</td>
</tr>
<tr>
<td></td>
<td>• CPS-tab requisitions will also typically require attachments. Refer to the “Required Forms for Professional Services Contracts” section in this manual.</td>
</tr>
<tr>
<td></td>
<td>• Additional forms may be required based on the type of goods or services that are ordered as well as the dollar amount.</td>
</tr>
</tbody>
</table>
Checkout - Review and Submit: Requisition Comments and Attachments (cont.)

- The financial system will only accept these types of files:
  - Microsoft Word
  - Microsoft Excel
  - PDF

Note: This attachment process is not intended to be used in place of the imaging system's process. Therefore, do not attach invoices in the requisition.

<OK> Click to save the comments and return to the previous page.

<Cancel> Click to return to the previous page without saving comments.
Upon saving and submitting the requisition for approval or “saving for later,” the following **Confirmation** page displays. This allows a final summary of the requisition and identifies its expected approvers.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested For</td>
<td>Name of the requester.</td>
</tr>
<tr>
<td>Number of Lines</td>
<td>Total number of lines on the requisition.</td>
</tr>
<tr>
<td>Requisition Name</td>
<td>The system-assigned requisition number, or the description entered by the preparer.</td>
</tr>
<tr>
<td>Total Amount</td>
<td>Total dollar value of the requisition.</td>
</tr>
<tr>
<td>Requisition ID</td>
<td>Requisition ID number assigned by the financial system upon saving.</td>
</tr>
<tr>
<td>Business Unit</td>
<td>Always “UMN01.”</td>
</tr>
<tr>
<td>Priority</td>
<td>Requisition priority as indicated by the preparer.</td>
</tr>
<tr>
<td>Budget Status</td>
<td>Will always be “not checked” on this <strong>Confirmation</strong> page.</td>
</tr>
<tr>
<td>Dept and Certified</td>
<td>Indicates the approvals required for this requisition. If “pooled” appears, click on the &lt;Multiple Approvers&gt; link to see the list of possible approvers.</td>
</tr>
</tbody>
</table>
Document Search in U Market

Requisition preparers monitor the requisitions that they create until the supplier payment is posted in EFS. The U Market system provides the opportunity for requisition preparers, shoppers, and others to view documents related to U Market purchases. It is possible to search for documents related to the cart, the purchase order (PO), and the invoice in the U Market system by clicking on the documents icon on the Home/Shop page of U Market. It is not necessary to include information in every field. The search will return results based on the fields that are filled.

Hover over the Orders and Documents icon and the fly out menu will appear. Click <Search Documents>.
### Document Search in U Market (cont.)

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simple Search</td>
<td>Basic search parameters include the type of document and the date of the document.</td>
</tr>
<tr>
<td>My Carts</td>
<td>Shows carts you have created in last 90 days.</td>
</tr>
<tr>
<td>My Purchase Orders</td>
<td>Shows purchase orders that you have created within last 90 days.</td>
</tr>
<tr>
<td>Search</td>
<td>Select Cart, Purchase Order, or Invoice from the drop-down menu, then click &lt;Go&gt;.</td>
</tr>
</tbody>
</table>

### GENERAL DOCUMENT INFORMATION

| Document Numbers   | Documents related to U Market purchases are assigned a document number.       |

### DOCUMENT INFORMATION

<table>
<thead>
<tr>
<th>Participant (s)</th>
<th>Search by name for people who have touched the order in some way.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>Search by name for the person for whom the order was prepared, usually the shopper or the person who initiated the order.</td>
</tr>
<tr>
<td>Date</td>
<td>Narrow the search by using the drop-down menu and a time period.</td>
</tr>
<tr>
<td>Total Amount</td>
<td>Narrow the search by using the drop-down menu and a total dollar amount.</td>
</tr>
<tr>
<td>Supplier</td>
<td>Search by supplier name.</td>
</tr>
</tbody>
</table>

### ITEM/PRODUCT INFORMATION

<table>
<thead>
<tr>
<th>Catalog Number (SKU)</th>
<th>Specific item number. Results will show document cart number that contains the item entered.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Description</td>
<td>Lists all carts that contain the item description.</td>
</tr>
<tr>
<td>Product Flags</td>
<td>Click the box(es) to search for the products of that type.</td>
</tr>
<tr>
<td>Go</td>
<td>Click after the parameters of the search have been selected to generate a list of results.</td>
</tr>
</tbody>
</table>
Requisition Settings

Before deciding on which type of requisition to use for the intended purchase, the <Requisition Settings> link can be used to populate specific fields that will be applied to the overall requisition such as: Requisition Name, Supplier, Category, Unit of Measure, Ship To, and ChartField String.

Any field populated in the Requisition Settings will auto populate on every line of the requisition saving time and assuring consistency. Populate only the fields that would apply to the overall requisition as well as to each and every line on the requisition.
<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requisition Name</td>
<td>(30 characters) Description of the requisition to help identify it in the system. Enter a name that clearly describes the requisition. If the department has naming conventions, follow them. If no entry is made, the system-assigned requisition ID number populates this field when the requisition is saved.</td>
</tr>
<tr>
<td>Supplier</td>
<td>Use the look up icon to find the approved and open supplier in the system carefully selecting the correct remit to location for the supplier. The supplier identification number will populate this field once selected. See Standard Purchases for additional information.</td>
</tr>
<tr>
<td>Unit of Measure</td>
<td>(1-3 characters) The ordering unit of measure (UOM). Example: EA (each), CS (case), LBS (pounds). Avoid matching errors by making sure to use the supplier's selling unit of measure. Note: “Lot” should be used for blanket and CPS orders only.</td>
</tr>
<tr>
<td>Category</td>
<td>The purchasing category in which the item resides. Category is used to define the type of purchase and determines the Chart of Accounts Account ChartField value for the item. See Standard Purchases for additional information.</td>
</tr>
<tr>
<td>Ship To</td>
<td>Full business address of where the order will be delivered (P Location). Ship-to codes begin with the letter “P” followed by the DeptID, followed by a 3-digit code (e.g., P10084001). If the desired location does not display when the look-up icon is clicked, contact Purchasing Services. See Check Out – Review and Submit for additional information.</td>
</tr>
<tr>
<td>Accounting Lines</td>
<td>ChartFields for the line. These fields may be populated based on predefined defaults, or in the case of Account, from the selected category. If the account value is incorrect, go back to the item and select a different category. Use these fields to make changes to individual requisition lines. See Check Out – Review and Submit for additional information.</td>
</tr>
</tbody>
</table>
Standard Purchases

The Standard Purchase option is used to request goods or standard services that are not available from a Web tab supplier and also are not a blanket or CPS order. This includes items or services covered by a U-Wide Contract as well as items that require competitive bidding. Whenever possible, it is recommended to use these suppliers as price reasonableness has already been established. To find item information go to uwidecontracts.umn.edu.

Navigate to: Home > eProcurement > Requisition.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>(256 characters) Free-text description of the item to be purchased. The description must be complete enough for the supplier to ship the correct item and for the receiver or voucher preparer to determine that the correct item was delivered or invoiced. Note: When ordering from a U-Wide Contract supplier, enter the exact item description as supplied by the supplier.</td>
</tr>
<tr>
<td>Price</td>
<td>(16 characters) The item price per unit of measure, inclusive of any discounts. Do NOT use the dollar sign ($) or commas in this field.</td>
</tr>
<tr>
<td>Currency</td>
<td>The currency in which the purchase is being made. This will always be USD.</td>
</tr>
</tbody>
</table>
**Standard Purchases (cont.)**

**Quantity**

(16 characters) Quantity to be ordered, based on *Unit of Measure*.

**Unit of Measure**

(1-3 characters) The ordering unit of measure (UOM). Example: EA (each), CS (case), LBS (pounds). Avoid matching errors by making sure to use the supplier’s selling unit of measure. Note: “Lot” should be used for blanket and CPS orders only.

**Category**

The purchasing category in which the item resides. Category is used to define the type of purchase and determines the Chart of Accounts Account ChartField value for the item.

To select a category, it is important to first determine whether or not the item is a capital asset. Based on the capital asset/non-capital asset decision, there are three different ways to select a category. When entering a requisition, click on the magnifying glass to search for the category code appropriate for the requisition line.

Requesters have the option to search for a category based upon the operator selected from the **Search By** drop-down field, either “Account” or “Description”. This Search By Account code search is best for non-assets. Asset account codes may also be used to search for asset categories but currently, the resulting display will be a long list.

When “Account” is selected, type an account code in the blank field and click <Find>. This will display a short list of category codes that are related to the selected account code. Based on the description of the item you are looking for, click on the category link and the category code will be added to the requisition. This Account code search is best for non-assets.

When “Description” is selected, type a key word into the blank field and click <Find>. This will display a short list of category codes that are related to the selected account code. Based on the description of the item you are looking for, click on the category link and the category code will be added to the requisition.

To locate a category (this may be the best method to locate an asset category), it is possible for requesters to access the category tree using the caret (small triangle) on the left of the heading, Browse Category...
Standard Purchases (cont.)

Tree, at the bottom left of the page. This will open the category tree where Capital Asset and Non-Capital Asset nodes are visible. Then drill into the appropriate category tree. Select a category from the lowest possible level (the folder icon will not contain a plus symbol).

Note: Do not copy and paste an account code into the Account field on a requisition, it will not signal the correct information to the system.

Supplier ID (10 characters) The supplier’s ID number as assigned by the financial system.

- Always use the magnifying glass (search) icon to select the supplier for a requisition.
- There are three things to verify about the supplier for each requisition: the approval status, the supplier is “open” for ordering (noted with “Y”), and whether it matches the supplier’s address and email where the PO must be sent.
- When looking up a supplier on a new requisition, the results page also shows a Line Detail icon. If you click on this, you can verify whether the supplier is “Approved” and “Open for Ordering” without going out to the Supplier File to look up this information.
- Search for your supplier on the Requisition page and view the list of locations like below:

![Supplier Search](image)

- Click the Line Detail icon to see supplier Approved or Open for Ordering Status.
When you have determined that the supplier information is complete for your requisition, click <OK> to return to the list of supplier locations. Select the location and click the <Supplier ID> in that row.

It is appropriate to check the Supplier record from the EFS home page if there is a need to research more information about the supplier that cannot be found on this detail page.

All supplier locations must be the same on the requisition in order to produce a single PO. If items on a requisition are from more than one supplier or more than one location for the same supplier, multiple POs will be produced for the requisition. If this is an issue, create a separate requisition for each location or supplier.

Do not copy and paste the supplier number from one line to another, as it will likely result in the creation of multiple PO’s.

If bidding is not required, a supplier must be selected for each requisition line. If it is not, a sourcing error will occur.

If bidding is required, leave this field blank.

**Supplier Name**  
(50 characters) This field is populated by results of supplier search using Supplier ID.

**Supplier Item ID**  
(50 characters) The item’s ID number or description as defined by the supplier. This field is populated by point-and-click shopping from U-Stores (and potentially other suppliers).

**Mfg ID**  
(50 characters) The manufacturer’s name. This optional field is for internal use only and does not print on the PO.
Standard Purchases (cont.)

**Mfg Item ID** (50 characters) The manufacturer’s item ID number or description as defined by the manufacturer. This optional field is for internal use only and does not print on the PO.

**Send to Supplier** Select as appropriate. Selecting this checkbox causes the contents of the *Additional Information* field to print on the purchase order.

**Show at Receipt** It is recommended to always select. Selecting this checkbox causes the contents of the *Additional Information* field to display at the time of receipt in order to verify that the correct items have been received.

**Show at Voucher** It is recommended to always select. Selecting this checkbox causes the contents of the *Additional Information* field to display at the time of voucher entry in order to verify that the University has been billed correctly for the purchase.

**Request New Item** Do not use.
## Freight Definitions

### Understanding FOB (Freight on Board) Terms

<table>
<thead>
<tr>
<th>Shipping Term - FOB (Freight on Board)</th>
<th>Who is responsible for freight or shipping costs.</th>
<th>Title (Ownership) Passes</th>
<th>Who files damages or loss claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOB Destination (U of M Preferred Term)</td>
<td>If there are no other qualifiers, Seller is responsible for freight costs.</td>
<td>Seller owns shipment is delivered/accepted at U of M location. U of M takes title upon delivery.</td>
<td>Supplier files for any damage that occurs before U of M accepts delivery. After delivery, U of M files damage claim.</td>
</tr>
<tr>
<td>FOB Destination - Freight Prepaid and Allowed</td>
<td>Seller pays freight costs. Freight is included in the product price.</td>
<td>Seller owns until shipment is delivered/accepted at U of M location. U of M takes title upon delivery.</td>
<td>Supplier files for any damage that occurs before U of M accepts delivery. After delivery, U of M files damage claim.</td>
</tr>
<tr>
<td>FOB Destination - Freight Prepaid and added</td>
<td>Seller prepays freight costs and adds to submitted invoice.</td>
<td>Seller owns until shipment is delivered/accepted at U of M location. U of M takes title upon delivery.</td>
<td>Supplier files for any damage that occurs before U of M accepts delivery. After delivery, U of M files damage claim.</td>
</tr>
</tbody>
</table>

**NOTE:** Before placing order, clarify with supplier whether the freight/shipping costs will be a separate invoice line or are included in the quoted product price.

**NOTE:** University does not accept FOB Terms of Collect.

<table>
<thead>
<tr>
<th>FOB Origin</th>
<th>If there are no other qualifiers, Buyer is responsible for freight costs.</th>
<th>Buyer owns goods from shipping point and in route to U of M location.</th>
<th>Buyer files for any damage that occurs once shipping starts.</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOB Origin, Freight Prepaid</td>
<td>Buyer paid freight costs. Freight is included in the product price.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FOB Origin, Freight Prepaid and Allowed</td>
<td>Seller prepays freight costs and adds to submitted invoice.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Assets – Definitions and Examples

Goods that are considered capital assets require special treatment at purchase time. If proper steps are not followed to purchase a capital asset, time-consuming corrections are required. Most importantly, it will make the University’s financial reports inaccurate.

**Capital Asset:** Any tangible property that cannot easily be converted into cash and that is usually held for a long period, including real estate, equipment, etc. Capital equipment is the most common type of capital asset and is the only type of capital asset purchased by most requisition preparers. This document describes the steps for purchasing capital equipment.

**Capital Equipment:** Any movable, nonexpendable equipment item not permanently affixed to a building and with a life expectancy of more than one year and an acquisition cost of $5,000 or more per unit. This includes improvements that increase the value or extend the useful life of equipment. This distinction is important because it conforms to federal definitions and requirements as well as NACUBO accounting standards for capital equipment and matches the current University definition of capital equipment in the chart of accounts. (See also UM Financial Procedure—“Purchasing from Equipment Reserve Accounts.”)

**Capital Equipment, Add-ons, and Make-Ready Costs:** A capital equipment asset consists of the asset plus any add-ons (itemized components or accessories) listed on the requisition that are necessary to place the asset in service for its intended purpose. The acquisition value of a capital equipment asset consists of the cost of the asset plus the cost of all itemized components and accessories. Itemized asset add-ons (or their respective costs) are referred to as make-ready costs.

**Depreciation**

Because assets have a longer life expectancy, the entire expense of acquiring them is not recognized immediately. Instead, a portion of the expense is recognized in each accounting period over the life of the asset. A depreciation schedule describes how much of the asset’s cost should be expensed in each accounting period. This depreciation must be taken into account when the unit making the purchase creates its budget. The asset category code selected for an asset on the requisition determines which depreciation schedule applies to the asset. Non-assets do not require this special attention. The full cost of the non-asset is recognized as an expense at the time of purchase.

**Policies**

All University policies related to purchasing goods and services also apply to the purchase of capital assets. Refer to the “Managing University Capital Equipment” policy for details.

Capital assets may not be ordered on blanket orders.

**Capital Asset Categories**

When purchasing a capital asset for the University, it is critical that the preparer select the appropriate capitalized asset category on the purchase requisition.
Selecting a capitalized asset category on the purchase requisition enables the following actions to take place:

- The requisition distribution line is flagged as a capitalized asset automatically by the financial system.
- The correct Account value automatically defaults in the Account field. The Account value for all capital equipment assets is 850101.
- A predefined asset profile is automatically linked to the asset based on the category selected.
- The asset will be available to be formally received in the financial system by the procurement specialist.
Preparing to Create a Requisition for a Capital Asset

When purchasing a capital asset, several steps usually happen before the requisition is actually created in the financial system.

Special Terms and Conditions

Some special capital equipment purchase situations require special treatment. Contact Inventory Services for help in completing the requisition for assets that meet any of the following criteria:

- Assets with down payments, partial payments, and/or prepayments
- Assets purchased with a trade-in
- Assets with capital leases
- Upgrades to existing capital assets
- Fabricated capital equipment

Why Accuracy is Important

It is extremely important to set up capital asset requisitions accurately and to handle other asset tasks with precision. Reasons include:

- The University Code of Conduct Policy requires it.
- If users enter transactions incorrectly, they will have to make corrections later. In most cases, correcting errors is more time consuming than making the correct entries to begin with.
- It is difficult and expensive to correct errors, which means there is less money for other University purposes.
- The integrity of the University's financial reports is put at risk, as the depreciation and other asset-related data will be inaccurate.

Planning the Requisition Entry

A requisition must be set up to match the way the capital asset will be received. Therefore, a line on the requisition is needed for each item that will show a separate amount on the supplier's invoice. When the physical assets are received, each itemized asset should be received against the corresponding line on the requisition.

One asset per line.

If more than one discrete capital asset is included on a single requisition, each asset must be entered on a separate line on the requisition. Then, each physical asset can be received against its own line on the requisition, and additional asset information (serial number, etc.) can be entered for it separately. If more than one asset is grouped together on a single requisition line, it is impossible for Inventory Services to enter asset information for each asset.
Preparing to Create a Requisition for a Capital Asset (cont.)

Assets are received only by quantity.

As a related matter, assets can be received only by quantity. That is, an asset requisition cannot be set up with a Unit of Measure of “Lot.” In most cases an asset requisition will be set up with a Quantity of “Each” and the assets will then be received by quantity.

Always consider whether add-ons may be involved in the purchase.

Some asset purchases may involve add-ons. Add-ons are comprised of component pieces, accessories, or other make-ready costs. The acquisition costs of assets and their accessories and components will affect how they are entered on a requisition. The costs of many add-ons of capital equipment assets should be included in the total cost of the asset. However, the following items SHOULD NOT be included in the total cost of a capital equipment asset. If they are itemized, they should be added as a separate line, with a separate cost and a non capitalized category code.

- Application software
- Service plans
- Training
- Warranties
- Modular furniture

If add-ons have separately itemized costs on the quote and will have separately itemized costs on the invoice, then each item should be included on a separate line on the requisition. The items should be assigned a category code for a capitalized asset. Examples include:

- Itemized components of the asset on the same requisition (and PO)
- Itemized accessories of the asset on the same requisition (and PO)
- Handling charges
- Installation charges
- Operational software
- Shipping charges (Note that freight charges should be described in the Additional Information field and should not be added as a separate line on the requisition.)

If add-ons do not have separately itemized costs on the quote and will not have separately itemized costs on the invoice, then they should not be given separate lines on the requisition. Instead they should be listed
Preparing to Create a Requisition for a Capital Asset (cont.)

as add-ons in the Additional Information field. When the physical asset is received, because the non-itemized add-ons do not have their own lines on the requisition, they will not be received separately.

For questions about which accessories and components of an asset should be capitalized, contact the Financial Helpline 612-624-1617.

The following examples describe how requisitions are created for various assets and their make-ready cost and how these items are received.

Examples

Example 1 - $45,510 John Deere Tractor
- Line 1 – One John Deere Tractor for $45,510 (asset)

The cost of the tractor is greater than $5,000, therefore it is entered as an asset and given a capitalized asset category code.

Example 2 - $8,500.00 Chromatograph and $5,550.00 Autosampler
- Line 1 – One chromatograph processor for $8,500.00 (asset).
- Line 2 – One chromatography pump for $2,100.00 (asset accessory).
- Line 3 – One detector for $1,900.00 (asset accessory).
- Line 4 – One autosampler for $5,550.00 (asset).

Even though the item on line 4 might be considered a component or accessory to the item on line 1, because its acquisition cost is greater than $5,000, it is entered as an asset in its own right.

When this equipment is received, the casual receiver must fill out a Capital Equipment Asset Receipt Form and a procurement specialist will record the receipt in the system. Receipt quantity must be entered for all lines and additional physical information must be entered for lines 1 and 4, both of which are assets in their own right.
Creating a Capital Asset Requisition

Requisitions for capital assets including itemized accessories, components, and make-ready costs are entered using the Standard Purchase option or U Market option. Do not use the Other Purchases - Blanket Orders option for capital assets.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item Description</td>
<td>(up to 256 characters) A description of the asset or the itemized add-on. The description should both make it clear to the supplier exactly what asset or add-on is being purchased and include an appropriate description that Inventory Services will understand so they can verify that the correct item has been purchased. Example: A laptop is needed for monitoring and controlling some electrical devices for an experiment and the laptop appears in the supplier's catalog as “X242805-Notebook.” Something like the following should be entered in the Item Description field: “X242805-Notebook—laptop computer for electrical device control.”</td>
</tr>
</tbody>
</table>
Creating a Capital Asset Requisition (cont.)

**Quantity**
The quantity to be ordered, based on the unit of measure. For capital assets, the quantity should be a whole number.

**Unit of Measure**
The ordering unit of measure. Click the magnifying glass icon next to Unit of Measure and select the ordering unit of measure. Be sure to use the supplier's selling unit of measure. Do NOT select “Lot” for capital asset orders unless that is the supplier's selling unit. For most capital assets, the unit of measure will be “Each” or another specific unit of measure.

**Category**
The purchasing category for the asset. Category is used to define the type of purchase. It determines the account code for the item. When capital assets are purchased, the selected category must be one defined specifically for a capital asset.

- When the Category Tree is browsed to select the category code, a category code from the Capitalized branch of the tree must be selected for all capital assets and qualifying add-ons.
- For an accessory or add-on that will not be capitalized (e.g. application software with a cost less than $5,000), a non-capitalized category code must be selected.
- A category must be selected from the lowest level possible (the folder icon will NOT contain a + sign).
- Category codes for capitalized assets are all numeric. Category codes for non-capitalized assets begin with a letter.
- The correct account code automatically defaults in Account based on the category selected. All capital equipment assets default to account 850101. Non-capitalized add-ons will default to a noncapitalized account.
- A budget must exist for the defaulted account in order for the transaction to be processed properly.
- A predefined asset profile is linked to the asset automatically based on the category selected.

When all the items have been added, click <Checkout> to open the **Checkout - Review and Submit** page on which the requisition can be reviewed and modified.
Asset Receiving

All goods must be physically received by the department/casual receiver in accordance with the Purchasing Goods and Services policy and the Receiving Purchases procedure. This policy and procedure can be found in the UWide Policy Library.

The department/casual receiver must verify what is physically received by comparing the packing slip (or other shipping document) with the physical item(s) present. For a capital equipment asset, this includes comparing the serial number on the packing slip with the serial number on the asset.

**Recording the Receipt of Non-Assets**

The department/casual receiver physically receives AND records in the financial system the receipt of non-capital equipment items or supply items (non-assets).

**Recording the Receipt of Assets**

The department/casual receiver physically receives capital equipment assets. During the physical receiving process, the department/casual receiver collects physical information (model, serial number, etc.) on each asset present. The information is recorded on a Capital Equipment Asset Receipt Form (UM 1681), which is then submitted to the assigned procurement specialist.

---

**Capital Equipment Asset Receipt Form**

Complete this form during the physical receiving process to capture data about capital equipment assets and notify the procurement specialist of the physical receipt of assets. Receivers can only record in EFS the receipts of non-asset orders. Procurement specialists must record in EFS the receipts of asset orders or mixed asset/non-asset orders.

**Receiver**

- Complete the first two sections below and route this form to your cluster procurement specialist. It is recommended that a copy of the packing slip be routed with this form.

<table>
<thead>
<tr>
<th>PO ID</th>
<th>Line</th>
<th>Line Description</th>
<th>Serial Number</th>
<th>Asset Custodian</th>
<th>Asset Location (Building/Room)</th>
<th>Manufacturer (Not the Vendor)</th>
<th>Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>EX</td>
<td>000012345</td>
<td>MICROTONIC, COYOSTAT</td>
<td>0123456789</td>
<td>DOE, JOHN</td>
<td>MINNEAPOLIS 1-314</td>
<td>LEICA MICROSYSTEMS</td>
<td>CM1960</td>
</tr>
</tbody>
</table>

**Procurement Specialist**

- Record the receipt in EFS of the items above and route this form to the voucher preparer to have a scanned copy placed in the imaging system with the invoice. It is recommended that a scanned copy of the packing slip be placed in the imaging system with the invoice and this form.

**Procurement Specialist Name:**

**Department:**

**Date:**

**Internet ID:**

**Telephone:**

**Fax:**
Creating Blanket Orders

Blanket orders give the University the ability to combine like purchases to get the best possible pricing from the supplier. They allow the University approvers to pre-approve the individual, smaller non-asset purchases through the award of the blanket order for the contract period. The financial system will NOT allow capital assets to be purchased by using the Blanket Order requisition type.

Blanket purchase orders are contracts with suppliers:
- to supply identified goods or standard services
- at an agreed-upon unit price
- up to an agreed-upon total dollar amount
- across an agreed-upon amount of time

Blanket orders begin just like a regular requisition but with a few key differences. First, unlike regular requisitions, a blanket order must have a start and end date and use only noncapitalized categories. Finally, blanket order lines may not be combined with other order types, such as a regular requisition or a professional services contract.

Often, blanket orders are used to purchase a variety of miscellaneous items (such as recurring order of lab chemicals) throughout the contract period. The blanket order is created for an amount over a specified time frame that is agreed upon with the supplier. All blanket orders must use a quantity and unit of measure of “1 LOT.” Blanket orders receive shipments by dollar amount. It is allowable to have more than one line on a blanket order.

An encumbrance is created when the blanket order requisition is sourced to a PO. After the blanket order is dispatched to the supplier, the department will contact the supplier directly to place each order as they need it and instruct the supplier to reference the blanket order’s number on each invoice.

Important note: All requisitions entered as a blanket order must contain a quantity of “1” and a unit of measure of “Lot.” EFS will generate errors if any other criteria is entered (e.g., “2” “LOT”). These errors will result in the PO having to be canceled.

Blanket Orders Under $50,000

Departments may set up blanket orders for non-asset items for a period of one, two, or three years, as long as the total amount does not exceed $50,000.

The blanket order may be set up for one year with options to renew for up to three years total. The dollar amount of the order will be the first year’s expected total. The system will encumber this amount. Once entered, the PO Change Order will route in EFS for approvals.
Creating Blanket Orders (cont.)

If the PO is set up for one year with options to renew, at the end of the year contact the supplier to confirm that the supplier is willing to extend the contract another year at the same prices, terms, and conditions.

Then notify the procurement specialist to execute a PO change order. If the contract is a committed two- or three-year contract, the prices, terms, and conditions should not escalate during the contract period. If the supplier cannot hold the same prices, terms, and conditions for another year, perform a price comparison to confirm that the price is still the most reasonable. Instruct the procurement specialist to attach the Price and Supplier Justification form to the change order extending the contract. Do not send the Price and Supplier Justification form to the supplier.

Bidding a Blanket Order

Per policy, repetitive non U-Wide Contract orders totaling more than $50,000 on an annual basis must be set up as blanket orders and go through the Purchasing Services bidding process to ensure price reasonableness.
Creating Blanket Orders (cont.)

To process a blanket order, the create requisition process is still followed, except entry begins using the Blanket Order option which is found under Other Purchases. Most fields are completed in the same way as a regular requisition. NOTE: The financial system will not allow capital assets to be purchased by using the Blanket Order option.

### Item

**Description**

Free-text description of the item or items to be purchased. When using a blanket order for miscellaneous supplies, enter a description of the supplies, such as “Miscellaneous Office Supplies” and then add more details in line comments. All miscellaneous items on a line must belong to the same category.

**Quantity**

A blanket order must always contain a quantity of “1.”

**Unit of Measure**

A blanket order for items up to an agreed-upon dollar amount at an agreed-upon discount uses a unit of measure of “Lot.” Note: Blanket orders have a built in logic that limits receipts to “Amount Only.” This means that even if a blanket is entered as, for example 80 hours, it only will be able to be received as 1 lot and the dollar value of the receipt entered is in the *Amount* field.

Note: All blanket orders must contain a quantity of “1” and “Lot” as unit of measure. EFS will generate errors, if any other criteria is entered (e.g., “2” “LOT”). These errors will result in the PO having to be canceled.
### Creating Blanket Orders (cont.)

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>The total amount for the blanket order period.</td>
</tr>
<tr>
<td>Currency</td>
<td>Defaults to “USD” and cannot be changed.</td>
</tr>
<tr>
<td>Category</td>
<td>The appropriate noncapitalized category for the blanket order. The system will not allow capitalized assets to be purchased by using the Blanket Order option.</td>
</tr>
<tr>
<td>Supplier ID</td>
<td>The supplier for the blanket order. If the blanket order value is over the $50,000 bid threshold, the Supplier ID field should be left blank until the bidding is complete and the business has been awarded to a supplier. To initiate bidding, click &lt;Save &amp; Submit&gt; upon completion.</td>
</tr>
<tr>
<td>Quote Number</td>
<td>If the supplier has provided a quote number, enter it in this field.</td>
</tr>
<tr>
<td>Quote Date</td>
<td>Shopping carts that have been assigned by requester to others.</td>
</tr>
<tr>
<td>Additional Information</td>
<td>Enter specific details regarding the order such as the frequency of delivery, freight terms, or specified price per unit.</td>
</tr>
<tr>
<td>Send to Supplier</td>
<td>Prints the information in the Additional Information field for this item on the blanket order to the supplier. If discount terms are noted in the Additional Information field, this checkbox must be selected.</td>
</tr>
<tr>
<td>Show at Receipt</td>
<td>Shows the information in the Additional Information field for this item to the receipt preparer.</td>
</tr>
<tr>
<td>Show at Voucher</td>
<td>Shows the information in the Additional Information field for this item to the voucher specialist.</td>
</tr>
<tr>
<td>Add to Cart</td>
<td>Adds the line item to the blanket order requisition.</td>
</tr>
</tbody>
</table>
Creating Blanket Orders (cont.)

Once all items on the blanket order have been added click on <Checkout>. You are brought to the Checkout – Review and Submit page. A start and end date is required on blanket order requisitions.

![Checkout - Review and Submit image]

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Date</td>
<td>The blanket order start date. Must be a future date to allow time for appropriate approvals and PO dispatch.</td>
</tr>
<tr>
<td>End Date</td>
<td>The blanket order end date. Departmental blanket orders that total less than $50,000 may not exceed a three-year period.</td>
</tr>
</tbody>
</table>
Manage Requisitions

Preparers of requisitions must routinely monitor the status of their requisitions using the Manage Requisitions page to ensure each stage has occurred. This page also provides a variety of search fields for use in locating requisitions.

Navigate to: Main Menu > eProcurement > Manage Requisitions.

<table>
<thead>
<tr>
<th>Request Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>All But Complete</td>
<td>Displays all requisitions that are in any status other than “Complete”.</td>
</tr>
<tr>
<td>Approved</td>
<td>The requisition was approved by all approvers.</td>
</tr>
<tr>
<td>Canceled</td>
<td>The requisition was entered and saved but was canceled.</td>
</tr>
<tr>
<td>Complete</td>
<td>After the requisition is sourced and dispatched as a PO, the goods or services are received, and the supplier is paid, a background process identifies the requisition status as “Complete.” Canceled requisitions are also identified as “Complete.”</td>
</tr>
<tr>
<td>Sent Back</td>
<td>The requisition was sent back by an approver during the approval process.</td>
</tr>
<tr>
<td>Open</td>
<td>The requisition was entered and saved but not submitted.</td>
</tr>
<tr>
<td>PO(s) Created</td>
<td>The requisition was approved and was sourced to a PO.</td>
</tr>
<tr>
<td>PO(s) Dispatched</td>
<td>The requisition was sourced to a PO, and the PO was dispatched to the supplier.</td>
</tr>
<tr>
<td>Pending</td>
<td>The requisition was submitted and awaits approval.</td>
</tr>
<tr>
<td>Received/Partially Received</td>
<td>The requisition was sourced to a PO and was dispatched, and the goods have been partially or fully received.</td>
</tr>
</tbody>
</table>
Manage Requisitions (cont.)

**Budget Status** | **Description**
---|---
Error | The requisition was approved but it did not pass the budget check process.
Not Chk’d | The requisition awaits the budget check process.
Valid | The requisition has passed the budget check process.

The system returns a list of requisitions that fit the criteria entered in the **Search Requisitions** section of the **Manage Requisitions** page.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select Action</td>
<td>Use to select an action for the requisition. Actions available for a given requisition are dependent on the status of the requisition/PO. Before a requisition is sourced to a PO, action options for preparers include: “Cancel Requisition,” “Edit Requisition,” and “View Approvals.”</td>
</tr>
<tr>
<td>&lt;Go&gt;</td>
<td>Click to execute the selected action.</td>
</tr>
</tbody>
</table>
Manage Requisitions (cont.)

The caret icon can be clicked to view the lifespan of a specific requisition. Each stage of a requisition lifespan is denoted by an icon. Initially the icons are void of color, but as the requisition enters each stage, the icons will display in full color and the title of the stage and the icon will become a link to further information. For example:

- If the Approvals icon is displayed in full color and it is clicked, approvers' names will be displayed as well as their comments when applicable.
- If the Purchase Order icon is displayed in full color and it is clicked, detailed information about the PO such as the PO number will be displayed.

TROUBLESHOOTING REQUISITIONS

Requisitions with a Request Status of “Sent Back,” “Open,” “See Lines,” or “Pending” status or a Budget Status of “Error” will not source to a purchase order. The following searches should be conducted and resolutions followed to make sure requisitions are not being held up in the system.

Sent Back Requisitions

- **Business Unit:** “UMN01”
- **Request Status:** “Sent Back”
- **Date From:** Leave blank.
- **Requester or Entered by:** (optional) Internet ID of either the requester identified on the requisitions or the requisition preparer.
- **Resolution:** Expand the requisition line and click the approvals icon to review the approver's comments. Requisition preparers are responsible for monitoring for “Sent Back” transactions. If a requisition is sent back, it must either be edited and resubmitted, or canceled per the instructions entered into the Approval Comments field by the approver. To view the approver’s comments, expand the caret for the Comments section.
Manage Requisitions (cont.)

Open Requisitions

• Business Unit: “UMN01”
• Request Status: “Open”
• Date From: Leave blank.
• Requester or Entered by: (optional) Internet ID of either the requester identified on requisitions or the requisition preparer.
• Resolution: Determine if the requisition should be saved and submitted or canceled.

Pending Requisitions

• Business Unit: “UMN01”
• Request Status: “Pending”
• Date From: Leave blank.
• Requester or Entered by: (optional) Internet ID of either the requester identified on requisitions or the requisition preparer.
• Resolution: Dates are very important for pending requisitions. If the date is current, the requisition approver may need a reminder to approve the requisition. Expand the requisition line and click the Approvals icon to identify the approver. If the requisition is older, it may need to be canceled.

Requisitions with Budget Errors

• Business Unit: “UMN01”
• Request Status: “Error”
• Date From: Leave blank.
• Requester or Entered by: (optional) Internet ID of either the requester identified on requisitions or the requisition preparer.
• Resolution: Expand the requisition line and click the Requisition icon. Click <Schedule and Distribution> to view the originally entered ChartField string. Review the budget error and determine if the requisition ChartField string must be edited to a valid ChartField string. Then, resubmit the requisition for approval or cancel it.
Manage Requisitions (cont.)

Requisitions with Sourcing Errors

- Requisition preparers and procurement specialists are responsible for searching for and resolving sourcing errors. If the error cannot be resolved, contact the Financial Helpline for assistance.

Requisitions can only be edited by the preparer up until the requisition has entered the sourcing process (Open, Pending, Sent Back, or Approved status). After editing a requisition, the requisition starts the approval processes again. Once a requisition has been sourced to a PO, the requisition cannot be edited by anyone. Changes to POs may only be entered by the procurement specialist or by Purchasing Services. In addition, once a PO has reached “complete” status, it cannot be edited by anyone or re-opened.


**Editing Requisitions**

Requisition changes can happen for any number of reasons, including changes in quantity, price, delivery date, supplier information, etc. When a change to the requisition becomes necessary, the first step is to search for the requisition in the financial system and determine the current status.

**Sent Back Requisitions**

Check the *Approver Comments* field on the sent back requisition. The approver is required to provide in this field the reason why the requisition was sent back and whether the requisition should be updated and resubmitted or canceled. In most cases, the changes needed on the requisition will be apparent based on the information in this field. If it is not apparent how to proceed, contact the approver for further clarification.

If a requisition was sent back because changes are needed, the preparer must make the requested changes and save and submit them to re-route the requisition for approvals. At least one change must be made to the requisition before it is saved and submitted.

If an approver indicates a sent back requisition should be canceled, the preparer is responsible for canceling the requisition. This can be accomplished by using the action <Cancel Requisition> on the Manage Requisitions page. Due to workloads at the year end, it is best to do requisition closing as soon as it is known and not wait for year end clean up.

**Changes That Can Be Made (Before the PO is created)**

Requisition preparers can edit a requisition up until the point of sourcing.

Be aware that once a U Market requisition has been saved and the requisition number created, it cannot have these types of edits made to it: change of quantity, dollar amount, price, category, or adding or deleting requisition lines to the existing requisition.
The University groups services into two categories: standard and professional services.

**Standard Services**

“Off-the-shelf” services that are routinely provided to the general public usually at published rates without significant customizing.

- Firms rather than individuals are likely to provide these services.
- Examples include dry cleaning, extermination services, equipment maintenance, and courier services.

U-Wide Contracts, the procurement card (PCard), departmental POs, and the competitive proposal/RFP process are among the methods available for purchasing standard services. Standard services requisitions must be entered using the Standard Purchase or Blanket Order options.

**Professional Services**

Services contracted with an individual, partnership, or corporation that typically contain at least one of the following four criteria:

- Specific skillset or expertise is needed.
- Service is customized to meet the department’s needs.
- The services are NOT routinely available to the public at a standard rate or price.
- Rate or price is negotiated with the supplier.

Note: Individuals contracted to perform a professional service must meet IRS guidelines to be engaged and paid as independent contractors. Individuals who do not meet IRS guidelines must be engaged and paid as University employees.
Professional Services Contract Types

There are three overall types of requisitions that may be created when using the CPS option. Each type has different terms and dollar-value limits. At the time of contract entry, the financial system determines the type of CPS-related requisition based on the dollar value of the contract and the category selected.

**Quick Contract for Professional Services (QCPS)**
A QCPS is used when the professional service contract dollar value is less than $50,000.00. A QCPS is a type of legally binding agreement. The QCPS does not require the supplier to sign the contract, but does require the contract requisition to be approved online by the University and the PO contract dispatched to the supplier before the work begins. By starting work the supplier is agreeing to the terms and conditions in the contract. Do not start work until the QCPS is dispatched to supplier.

**Contract for Professional Services (CPS)**
A CPS is used when the professional services contract dollar value is $50,000 and over. This requisition type will generate the University's Standard Contract for Professional Service. Bidding, a competitive proposal process through Purchasing Services, may be required when the contract dollar value is $50,000 and over. By starting work the supplier is agreeing to the terms and conditions in the contract. Do not start work until the CPS is dispatched to the supplier.

**Performance Contract for Professional Services (PCPS)**
A PCPS is used to contract with entertainers and performers. A PCPS with a dollar amount under $50,000.00 is considered a Quick Performance Contract for Professional Services (QPCPS). Use a performer-related category for all PCPS contract types. A PCPS includes specialized terms and conditions for performers. By starting work the supplier is agreeing to the terms and conditions in the contract. Do not start work until the PCPS is dispatched to the supplier.

**Note:** For a professional service less than $3,000, a non-PO voucher may be created if the department or supplier does not desire a contract. The following professional services always require a contract at any dollar amount:

- Legal services
- Construction project management, architect and engineering, and design services
- Services from audit and accounting services
### FORM DESCRIPTIONS

<table>
<thead>
<tr>
<th>Form</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement of Work (external document)</td>
<td>Per policy, professional service related requisitions must include the supplier’s statement of work. This information must clearly state all deliverables expected to be completed by the supplier. The statement of work must be attached in the requisitions Comments section and sent to the supplier. The contract administrator will also rely on this information to verify services were rendered when authorizing the supplier’s payment.</td>
</tr>
<tr>
<td>Professional Services Information Sheet (PSIS)</td>
<td>Required on all professional services over $3,000 or any using a sponsored ChartField string. The requisition must have this form completed and attached to it in order to be in compliance with Purchasing policy.</td>
</tr>
<tr>
<td>Performance Agreement (external document) Send to supplier</td>
<td>Every PCPS requisition must have this mandatory contract completed and attached to it. The Performance Agreement lists the details of the performer’s event such as arrival date, time, and location. Most importantly, it lists all of the University’s standard terms and conditions specific to performers. This is located in the Contracts Library.</td>
</tr>
<tr>
<td>Nonresident Alien Data Collection Worksheet (internal document) Do not send to the supplier</td>
<td>Every professional services requisition (QCPS, CPS, and PCPS) with a foreign national supplier must have this mandatory form completed and attached to it. This form is available at the Payroll Services and the Forms Library websites.</td>
</tr>
<tr>
<td>Department Request for Exception to Board of Regents Policy (internal document) Do not send to the supplier</td>
<td>This form is a request to bypass the bidding process for contracts with a value of $50,000 or greater. Department Request for Exception to Board of Regents Policy forms must be reviewed and approved by Purchasing Services in the case of a sole provider or contract amendment that pushes the contract value over $50,000.</td>
</tr>
<tr>
<td>Request for Proposal (RFP) Planning Document (internal document) Do not send to the supplier</td>
<td>If the purchase is $50,000 or greater and routing to Purchasing Services for bidding, a Request for Proposal (RFP) Planning Document is needed to aid in the creation of an RFP. Purchasing Services requires this form to be attached to any RFP request. See the Purchasing Services website for access to and descriptions of this form.</td>
</tr>
</tbody>
</table>
Determine which transaction must be used to purchase a professional service. Supporting documentation must be completed and associated to the transaction. Use the grid below to determine what documentation is required.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Use this</th>
<th>EFS transaction</th>
<th>Statement of Work (UM 1697)</th>
<th>Professional Services Information Sheet (PSIS, UM 1669)</th>
<th>Performance Contract (OGC-SC514)</th>
<th>Supplier Invoice or Check Request Form (UM 1659)</th>
<th>Nonresident Alien Data Collection Worksheet (UM 1695)</th>
<th>Department Request for Exception to Regents Purchasing Policy (UM 1721)</th>
<th>Quick Contract for Professional Services (QCPS)</th>
<th>Contract for Professional Services (CPS)</th>
<th>Performance Contract (any dollar amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000+</td>
<td>Requisition Required</td>
<td>Requisition Required</td>
<td>Requisition Required</td>
<td>Requisition Required</td>
<td>Performance Contract Required</td>
<td>Performance Contract Required</td>
<td>Performance Contract Required</td>
<td>Performance Contract Required</td>
<td>Quick Contract for Professional Services</td>
<td>Contract for Professional Services</td>
<td>Performance Contract</td>
</tr>
</tbody>
</table>

*Per the Purchasing a Professional Service policy, a statement of work is required for all professional services. For non-PO vouchers less than $3,000 the statement of work can simply be written in the voucher’s justification. The justification must state the date(s) of service and a summary of the work that was performed. For example, “Dr. A presented their research findings on cow nutrition as the keynote speaker at the MN Milk Producers’ conference hosted by our department at the Kelly Inn in St. Cloud on 11/05/XX. During the conference, Dr. A shared insights on improving dairy nutrition, which was well-received by the attendees.” Otherwise, for more complex services, the statement of work may be linked to the voucher as a Word document or PDF.
## Compliance Considerations for Professional Services

Some professional service contracts will require compliance with one or more of the following laws:

### Credit Card Compliance

University of Minnesota departments who contract with service providers to handle credit card transactions must make certain that their service provider follows Payment Card Industry Data Security Standards (PCIDSS). The purpose of these standards is to protect cardholder data wherever it resides—ensuring that merchants and service providers maintain the highest information security standard. A listing of these standards can be found online. Go to the External Sales website to find the PCIDSS Standards link.

### Gramm-Leach-Bliley Act

In certain circumstances, Gramm-Leach-Bliley Act (GLBA) rules may apply to contracts for professional services. The GLBA requires the University to implement safeguards to insure the security and confidentiality of certain non public customer financial information. This imposes on the University the obligation to select only suppliers that can demonstrate their ability to safeguard non public financial information to which suppliers might have access or be granted access by the University.

Most departments will not have exposure to the GLBA. However, it is important to be aware of the activities that can subject a department or program to the law.

### HIPAA Rules

In certain circumstances, Health Insurance Portability & Accountability Act (HIPAA) rules may apply to contracts for professional services. Generally, whenever a professional services contractor is performing duties that require access to personal health information (PHI), HIPAA rules apply. For example, if a consultant is contracted to develop a new database for a clinical trial and will have access to the PHI of trial participants, HIPAA rules must be followed.

### Sarbanes-Oxley Act

In certain circumstances, Sarbanes-Oxley Act rules can apply to contracts for professional services in the areas of accounting and finance. The Sarbanes-Oxley Act was signed into law on July 30, 2002, and introduced highly significant legislative changes to financial-practice and corporate-governance regulation. It introduced stringent new rules with the stated objective “to protect investors by improving the accuracy and reliability of corporate disclosures made pursuant to the securities laws.”
Creating a Requisition for a Professional Service Contract

Requisitions for professional services may be entered as either fixed or variable price contracts:

- **Fixed Price Contract.** Work is performed for a specified lump sum of money. For this type of contract, a quantity of “1” must be used with the unit of measure “LOT.” The amount then equals the dollar value of the contract. The contract will be received by amount, not quantity.

- **Variable Price Contract.** An hourly rate is agreed on, but the total number of work hours is estimated. For this type of contract, the unit of measure is generally “DAYS” or “HRS.” The contract will be received by quantity, not amount.

A special custom-built tab is used to create all CPS type requisitions, and thus the required fields differ slightly from those of a regular requisition. Notable differences on the CPS option’s requisition include:

- The contract’s supplier and start/end dates are entered on the Checkout-Review and Submit page.

- Professional services requisitions generate legally binding contracts using the University’s standard terms and conditions. Any changes to the standard terms and conditions must be manually routed to the Office of General Counsel (OGC) for approval prior to final approval of the contract. This process is done outside of the financial system.

- PCPS requisitions require the preparer to manually attach the completed Performance Agreement contract in the requisition prior to submission and approval.

- Only CPS-related categories can be chosen on the CPS tab.

- CPS-related POs may encumber funds over multiple years.

- For IT hosted services or applications, additional contract terms may be needed. Contact Purchasing Services for these additional terms. For example, “Control Information via a SAS 70 report should be obtained on a periodic basis for hosted services.”

- Important note: If using “LOT” as the unit of measure, the quantity of “1” must always be entered. If any other number is entered, the PO will have errors and will have to be canceled.
Creating a Requisition for a Professional Service Contract (cont.)

Professional services requisitions are created using the CPS option, found under the Other Purchases heading, on the Create Requisition page. The financial system determines the type of contract to create based on the professional service category selected and the dollar value of the contract.

Navigate to: Main Menu > eProcurement > Requisition > Other Purchases > CPS.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Free-text description of the contract item.</td>
</tr>
<tr>
<td>Quantity</td>
<td>When creating contracts for professional services, quantities are generally measured in lot, hours, or days. If using “LOT” as the unit of measure, always enter “1” as the quantity.</td>
</tr>
<tr>
<td>Unit of Measure</td>
<td>The ordering unit of measure. When creating contracts for professional services, the unit of measure is generally lot, hours, or days.</td>
</tr>
<tr>
<td>Unit Price</td>
<td>The price per unit of measure or the total amount for the contract period as appropriate.</td>
</tr>
<tr>
<td>Currency Code</td>
<td>Defaults to “USD.” Cannot be changed. Contact Purchasing Services if payment must be foreign currency.</td>
</tr>
<tr>
<td>Category</td>
<td>The appropriate professional services or consulting services category.</td>
</tr>
<tr>
<td>Quote Number</td>
<td>If the supplier has provided a quote number, enter it in this field.</td>
</tr>
</tbody>
</table>
Creating a Requisition for a Professional Service Contract (cont.)

**Quote Date**
If the supplier has provided a quote for the contract services items, enter the quote date in this field.

**Additional Information**
Free-text area to note any additional information about the contract line item. For all CPS types, statement of work information may be included in this field.

**Send to Supplier**
Prints the information in the *Additional Information* field for this item on the contract to the supplier.

**Show at Receipt**
Shows the information in the *Additional Information* field for this item to show to the receipt preparer.

**Show at Voucher**
Shows the information in the *Additional Information* field for this item to show to the voucher specialist.

**Add to Cart**
Adds the line item to the contract requisition. A new blank page displays to add another item as necessary.

**Cancel**
Cancels the contract item prior to saving.

In some situations, contracts for professional services may have two line items. The first line item typically defines the hours and/or rates for the professional service, and the second line item captures details for contractor expenses, if applicable.

When contracts for professional services are based on a dollar amount rather than number of hours, the quantity and unit of measure used for the line item should be a quantity of “1” and the unit of measure “LOT.”
Creating a Requisition for a Professional Service Contract (cont.)

QCPS, CPS, and PCPS

One of three types of contracts is created based on the category and dollar amount: a Quick Contract for Professional Services (QCPS), Contract for Professional Services (CPS), or a Performance Contract for Professional Services (PCPS). Below is the field information that will appear for all three of these requisition types.

Navigate to: Main Menu > eProcurement > Requisition > Other Purchases > CPS option.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Date</td>
<td>The contract start date. All contracts should have a future start date.</td>
</tr>
<tr>
<td>End Date</td>
<td>The contract end date.</td>
</tr>
<tr>
<td>Supplier ID</td>
<td>The supplier for the contract. If the contract value is over the $50,000 bid threshold, the Supplier ID field should be left blank until the bidding is complete and the business has been awarded to a supplier.</td>
</tr>
</tbody>
</table>

Click <Contract Administrator> to access the Contract Administrator page. Information entered on this page will print on the contract.
Creating a Requisition for a Professional Service Contract (cont.)

The Contract Administrator subpage will appear. The requisition preparer must enter the appropriate information, otherwise the system will not allow the requisition to save.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Administrator Name</td>
<td>Enter the contract administrator’s employee ID number. This is the person from the department or project who is aware of the contract terms and the supplier, and who will monitor the contract throughout its terms.</td>
</tr>
</tbody>
</table>

The remaining fields on the Contract Administrator page are optional. Complete only the fields that should be printed on the contract.

Click <OK> to save the information on this page and return to the Checkout - Review and Submit page.

The rest of the field information is the same as found in the “Review and Submit” section of this manual. Refer to the Purchasing Services website for information on required forms per requisition type. Ensure all required forms are added as attachments.
Appendix A: Requisition and Purchase Order Inquiries

The financial system provides multiple methods to search for information about transactions. The following three inquiries assist requisition preparers with research related to requisitions and purchase orders.

**Manage Requisitions**

See the “Manage Requisitions” section described in detail earlier in this manual.

**Purchase Order Inquiry**

This inquiry allows searches using criteria such as PO number, supplier, and procurement specialist to locate specific POs. The following questions can be answered with the results of this inquiry:

- What type of PO is this (blanket, CPS, etc.)?
- What is the PO’s ChartField string?
- What attachments went to the supplier with the PO?
- How many times has the PO been modified, what are the changes, and who modified it?

Navigate to: Purchasing > Purchase Orders > Review PO Information > Purchase Orders.
Appendix A: Requisition and Purchase Order Inquiries (cont.)

Things to remember when populating the inquiry:

- A **Business Unit** of “UMN01” is always required.
- Enter criteria in any combination of fields and click <Search> to see search results that match the criteria.
### Appendix A: Requisition and Purchase Order Inquiries (cont.)

**Document Status**

There are multiple Document Status inquiries that enable a search based on a requisition, PO, receipt, voucher, or payment number. Document Status is a cross-reference inquiry that displays all transactions related to the transaction from which the search was based. The following questions can be answered with the results of the requisition Document Status inquiry:

- Who created this requisition?
- What is the approval status of this requisition?
- Has this requisition been converted to a PO?
- What are the PO, receipt, voucher, and payment numbers related to this requisition?


![Requisition Document Status](image)

**Things to remember when populating the inquiry:**

- A **Business Unit** of “UMN01” is always required.
- Enter criteria in any combination of fields and click <Search> to see search results that match the criteria.
Appendix A: Requisition and Purchase Order Inquiries (cont.)

<table>
<thead>
<tr>
<th>Action</th>
<th>Business Unit</th>
<th>Document Type</th>
<th>DOC ID</th>
<th>Status</th>
<th>Document Date</th>
<th>Supplier ID</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UMN01</td>
<td>Purchase Order</td>
<td>0000790338</td>
<td>Dispatched</td>
<td>01/20/2015</td>
<td>0000083834</td>
<td>MINNEAPOLI</td>
</tr>
</tbody>
</table>

Related Image
Appendix B: Approvals Matrix

After a requisition is created, the system routes it to approvers as defined by the DeptID(s), value of the requisition, and whether it is sponsored or non-sponsored, and based on the professional service category type.

**REQUISITION APPROVAL MATRIX**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Approvals</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $100</td>
<td>Auto-Approve</td>
</tr>
<tr>
<td>$100+</td>
<td>DeptID Approver</td>
</tr>
<tr>
<td>$100+ restricted chemical category</td>
<td>Department of Environmental Health &amp; Safety (DEHS)</td>
</tr>
<tr>
<td>&gt; $1,000 - Sponsored or any amount for travel-related expenses (7206XX)</td>
<td>DeptID Approver Certified Approver</td>
</tr>
<tr>
<td>$10,000+</td>
<td>DeptID Approver 2</td>
</tr>
<tr>
<td>$25,000+ and paid by a federally sponsored contract</td>
<td>Purchasing Services</td>
</tr>
<tr>
<td>$50,000+</td>
<td>Purchasing Services</td>
</tr>
</tbody>
</table>

**PROFESSIONAL SERVICES APPROVAL MATRIX**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Approvals</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $100</td>
<td>Auto-Approve</td>
</tr>
<tr>
<td>$100+ foreign supplier</td>
<td>Payroll Services</td>
</tr>
<tr>
<td>$100+ Audit Services supplier or category</td>
<td>Controller’s Organization</td>
</tr>
<tr>
<td>$100+ Architecture and Engineer Services</td>
<td>Capital Planning and Project Management</td>
</tr>
<tr>
<td>&gt; $1,000 - Sponsored or any amount for travel-related expenses (7206XX)</td>
<td>DeptID Approver Certified Approver</td>
</tr>
<tr>
<td>&gt; $2,000 and Entertainer</td>
<td>Purchasing Services</td>
</tr>
<tr>
<td>$10,000+</td>
<td>DeptID Approver 2</td>
</tr>
<tr>
<td>$25,000+ and paid by a federally sponsored contract</td>
<td>Purchasing Services</td>
</tr>
<tr>
<td>$50,000+</td>
<td>Purchasing Services</td>
</tr>
</tbody>
</table>
Appendix B: Approvals Matrix (cont.)

All requisitions totaling $1 million or greater require prior offline approval from the Board of Regents. In addition, any changes to the University’s standard terms and conditions require offline approval by the Office of General Counsel (OGC). Contact Purchasing Services for assistance with these situations.

Most department approvers have someone who acts as a back-up approver or emergency approver in their absence. If there are no current approvers assigned to a particular ChartField string, then the requisition preparer may see a “workflow error.” Requisitions must be approved to continue to the next step in the system, budget check. A new department approver would need to be assigned and trained for future requisitions.
<table>
<thead>
<tr>
<th><strong>Terminology</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Blanket Order</strong></td>
</tr>
<tr>
<td><strong>Capital Asset</strong></td>
</tr>
<tr>
<td><strong>Capital Equipment</strong></td>
</tr>
<tr>
<td><strong>CPS</strong></td>
</tr>
<tr>
<td><strong>Encumber</strong></td>
</tr>
<tr>
<td><strong>Expedite</strong></td>
</tr>
<tr>
<td><strong>ISO</strong></td>
</tr>
<tr>
<td><strong>PCPS</strong></td>
</tr>
<tr>
<td><strong>Pre-Encumber</strong></td>
</tr>
<tr>
<td><strong>Professional Service</strong></td>
</tr>
<tr>
<td><strong>Punch-Out</strong></td>
</tr>
<tr>
<td><strong>Purchase Order</strong></td>
</tr>
<tr>
<td><strong>QCPS</strong></td>
</tr>
<tr>
<td><strong>Terminology (cont.)</strong></td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td><strong>Requisition</strong></td>
</tr>
<tr>
<td><strong>Standard Service</strong></td>
</tr>
<tr>
<td><strong>U-Wide Contract</strong></td>
</tr>
<tr>
<td><strong>Supplier Address</strong></td>
</tr>
<tr>
<td><strong>Supplier Location</strong></td>
</tr>
<tr>
<td><strong>Worklist</strong></td>
</tr>
</tbody>
</table>