ReqMasters

Training Workbook

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Introduction

This workbook will acquaint you with purchasing practices at Idaho State University (ISU) and will show you how to create, copy, track, and modify requisitions in Self-Service Finance (Banner).

Remember: It takes quite a bit of time from creation of requisition to the issuance of a purchase order. **To save time and money, plan ahead**. *Recognize opportunities to consolidate requisitions, and take advantage of them*.

Purchasing Policies & How-To's

Policies

Every ISU employee involved in the purchasing process must comply with state laws, federal guidelines, established ethical standards, and best business practices. It is expected that those authorized to create requisitions in Banner ("ReqMasters") will exercise good judgment at all times, and will consult with Purchasing Services whenever questions arise. Refer to Purchasing Policy ISUPP2560 for additional information. https://www.isu.edu/policy/finance/

Purchase Authorization

- Purchase Order (PO) number or Purchasing Card (PCard) number must be issued to begin every purchasing transaction with a vendor. Purchase Orders must be issued *before* a purchase is made. Chartwells purchases must be made by PO only. Submit in advance to allow time for processing.
- ReqMaster will create a requisition when a PO is to be sent to a *vendor* to order goods or services. Purchasing Services creates POs from the requisitions submitted.

Types of Purchase Orders

There are two types of Purchase Orders — **Regular and Standing**.

Standing Order

Used for utilities, subcontracts, and certain other reoccurring orders. Standing Orders can be issued for a period of up to 12 months and expire each year on June 30 for Local and Appropriated Indexes. (Standing Orders using Grant funded indexes do not expire each year on June 30.) Banner encumbers the total amount of the purchase at the time the PO is created, i.e., earmarks the funds so that they are not available for anything else. Standing Orders require an accurate estimate of the amount to be spent. Receiving reports are not required for Standing Orders.

Examples

- Standing Order to Cardinal Health for Student Health to purchase misc. laboratory supplies for the period 07/01/##-06/30/##. Not to exceed $9,999 (this is the threshold where solicitations are required). Unit of Measure (U/M) = Each, Qty = 1, Price = $9,999.
- Standing Order to U.S. Welding for monthly rental of cylinders for various gasses to be used in a research project for the period 07/01/## – 06/30/##. (U/M) = Each, Qty = 1,

Price (price to fluctuate each month). Estimated yearly cost (or budget available) = $5,000.

Regular Purchase Order

Used for most purchases (including rent). On Regular Orders*, **each line item on the quote, with a price associated with it, must be entered as a separate line item on the requisition**. This should match the line items shown on the accompanying invoice. Use a Regular Purchase Order for recurring monthly expenses. You must review the receiving documents each month to ensure goods/services received match the invoice submitted. The pricing does not fluctuate.

Examples:

- Regular Purchase Order to Joe's Rentals for monthly rental of boat; U/M= Each, Qty = 6 (for the period 9/01/## - 2/28/##), Price=$250.00.
- Regular Purchase Order to Compunet, Inc. for purchase of Lenovo Thinkpad Laptop; U/M= Each, Qty. =1, Price = $1,374.47.

Departmental Receiving Report Form.

Must be submitted to Purchasing Services (buyers@isu.edu) when items purchased with a regular PO are delivered directly to a department or services are rendered. A Departmental Receiving report is required for all goods and services purchased with a regular PO. Please contact Accounting/Purchasing if you have an order that requires any prepayment. Departmental Receiving Reports are not required for PCard orders. However, PCard holders are responsible for maintaining all documentation (invoices, packing slips, etc.) associated with such purchases.

Sales Tax. All purchases made by ISU are exempt from state sales tax.

For additional information and forms visit the Purchasing website: www.isu.edu/purchasing/forms. The "Purchase Orders/Reqmasters" tab has several resources and information for ReqMasters to use.

PCards

Purchasing Services issues PCards to approved University employees. Each PCard has spending limits which must not be exceeded (new PCard holders are usually given a transaction amount of $2,000). All PCard holders must understand the concept of "chaining," a deliberate attempt to avoid exceeding purchasing dollar limits by breaking a single-vendor purchase into multiple orders. Cardholders are liable if they intentionally exceed their delegated authority or engage in chaining in order to do so.

- PCards are used for incidental purchases. *However, the PCard program is not intended to meet all of a department's needs.* When additional oversight or approval is needed, when a purchase is potentially questionable or in need of greater scrutiny, or when a purchase includes a sensitive item (whether or not that item is included in the Unauthorized Purchases list*), requisitions should be created and submitted to Purchasing Services. Requisitions are required for purchases of any electronic equipment costing more than $299 – including shipping costs. A requisition is approved prior to a purchase, whereas PCard purchases are reviewed only after the purchase.

* A complete list of Unauthorized Purchases can be found under the "*PCard*" tab listed on the *Purchasing website* isu.edu/purchasing.

Transactions Handled by Accounting

Reimbursement Request Form

Used for reimbursements for out-of-pocket expenses of less than
$100. Any cash expenses over $100 will be subject to greater scrutiny. Cash expenses *may not* be reimbursable. If there are doubts, check with accounting beforehand.

Direct Pay Form (no Purchase Order)

Used to process payments through Accounts Payable that do not require a Purchase Order. The Direct Pay Form can be used to pay approved expenditures which do not require a university purchase order and when the university PCard is not accepted by the vendor. Departments should never use a Direct Pay Form in place of a purchase order, just because it is easier or you because they have not followed proper procedures. Direct Pay is NOT allowed for Chartwells purchases. All forms should have a W-9 attached, or the department should check with Accounts payable to determine if one is on file.

Interdepartmental Charge Form

Used to pay for merchandise or services purchased from another ISU department, e.g., event tickets, payment for services, rent, or meeting rooms.

Independent Contractor Form

Used for payment of honorariums, and to pay performers and experts/professionals (e.g., speakers at health conferences) for services rendered. Purchasing will become involved only when there is more than one provider in the marketplace and competition is sought.

Journal Entry Form (JV)

Used for corrections to previous transactions.

Travel Authorization/Travel Reimbursement Request Forms

Used for all travel expenses for University Employees.
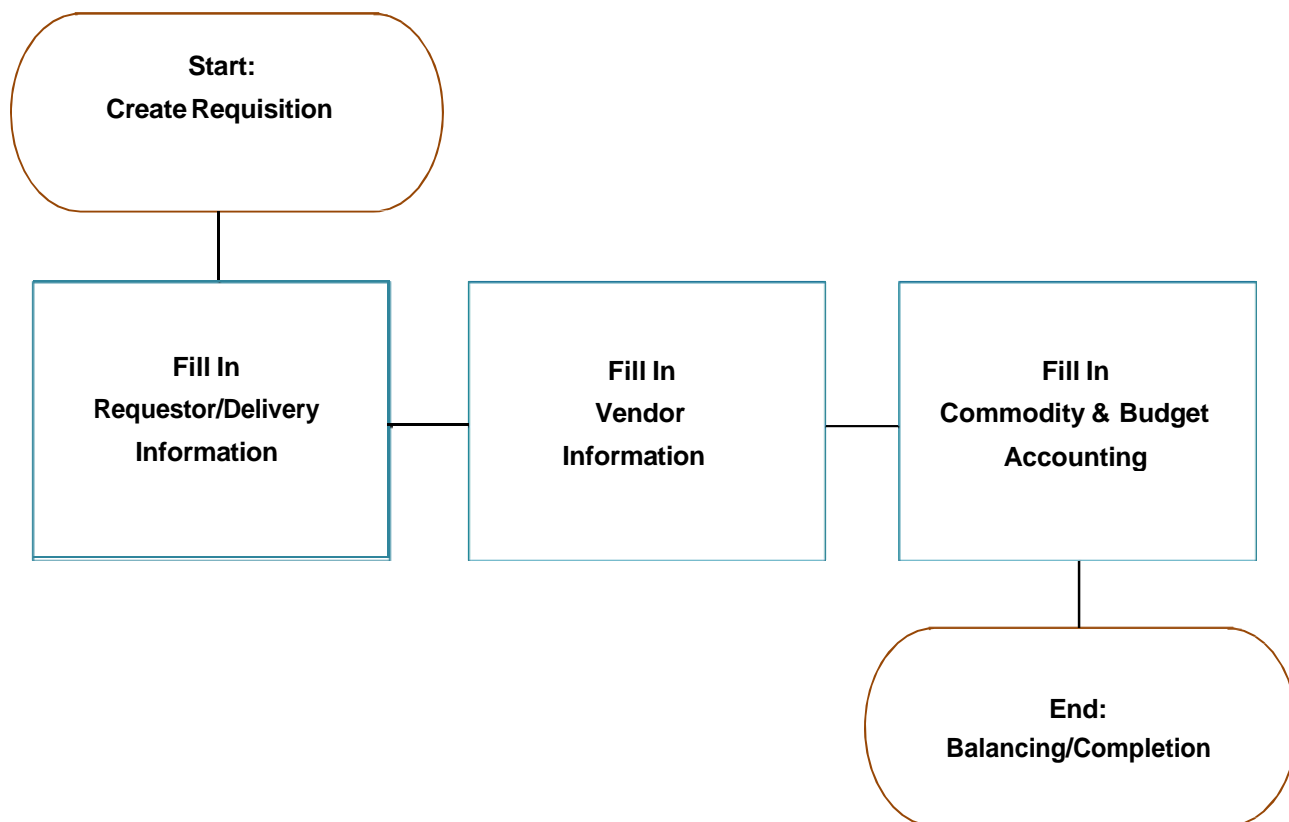
Invoices

For goods/services purchased with a Purchase Order, invoices are to be sent directly to **Accounts Payable**
(Stop 8219 – Fax# 282-4725 – email invoices@isu.edu.

For additional information and the forms mentioned above, go to the Finance tab in BengalWeb or to the Finance & Administration website: www.isu.edu/financeadmin

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Creating a Requisition

Anatomy of a Requisition

```
┌─────────────────────┐
│       Start:        │
│  Create Requisition │
└─────────────────────┘
          │
┌─────────────────┐   ┌─────────────────┐   ┌──────────────────────┐
│     Fill In     │   │     Fill In     │   │       Fill In        │
│ Requestor/Delivery │ │     Vendor      │   │ Commodity & Budget   │
│   Information    │──│   Information   │──│     Accounting       │
└─────────────────┘   └─────────────────┘   └──────────────────────┘
                                                       │
                                            ┌──────────────────────┐
                                            │        End:          │
                                            │ Balancing/Completion │
                                            └──────────────────────┘
```

Checklist: Information You'll Need to Create a Requisition**.........................**
Before beginning a requisition, have the following information available:

- **Delivery Date**
    Preferred delivery date for the goods or services to be ordered (must be *specific*, not "ASAP")

- **Vendor (if known)**
    Vendor name that exists in Banner, or Vendor name and complete address, and email information for new Vendor

- **Commodity Code**
    Commodity Code(s) for items to be ordered (see Supplements section of this workbook for additional discussion)

- **Description**
    Complete description of goods or services to be ordered, including part or catalog number (if relevant)

- **Quantity**
    Quantity of items to be ordered

- **Price**
    Price of each item

- **Index Code**
    Banner Index Code to charge

My Requisitions Overview (Finance Self-Service *NEW*)

My Requisitions allows you to create and submit a purchase requisition. You create a purchase requisition using document-level accounting.
You can also use this application for the following:

- Save requisition as a draft (Draft status)

- Edit a draft requisition and submit a requisition

- Delete a draft requisition

- View requisition status

- Copy a completed requisition

- Add comments {public and private)

- Add and delete attachments using Banner Document Management

- Recall your requisition from Banner Finance approvals

- Search and filter requisitions you have created

- View a requisition as a PDF

My Requisitions concepts

Several concepts are important to understand before using My Requisitions.

My Requisitions Status

A status indicates the state of a purchase requisition.

Status	Description
Draft	Requisition previously saved as a draft and awaiting final submission. You can edit and submit.
Pending	Requisition is pending approval in one of the Banner Finance approval queues.
Disapproved	Requisition submitted but disapproved by a Banner Finance approver. The approver can provide Disapproval Text explaining why the requisition was disapproved. You can edit disapproved requisitions and resubmit them.
Completed	Completed = Requisition approved and posted. Assigned to Buyer Converted to Purchase Order

My Requisition screens

This section describes the My Requisition screens and the tasks you can perform using these screens.

The My Requisitions screen serves as the home screen or dashboard. Use this screen to create requisitions and view requisitions you have created.

My Requisitions are separated into three sections:

- Draft Requisitions
- Pending Requisitions
- Completed Requisitions

Once created, Requisitions appear in each section for future reference. The number of requisitions in each section are listed after the section's title. By default, only two requisitions are listed when a section contains more than two. To view additional requisitions, click the More button. You are only able to see all requisitions created by you.

Clicking the information icon (i) next to a requisition's status provides a summary window of information for the requisition. This window may also contain comments. For example, if a requisition is disapproved, the user who disapproved it can add a comment explaining why the requisition is disapproved.

By clicking on the Status button adjacent to the **(i)** icon will take you to the requisition for corrections and resubmittal.

Requester Information screen

The Requester Information screen allows you to specify who is creating the requisition.

For user convenience, field information on this screen defaults from the requester's Banner Finance User Profile (FOMPROF). You can accept the default values provided or enter alternative names/values, if needed.

Vendor Information screen

In the Vendor Information screen, you define the vendor for the purchase requisition. Select a vendor by typing the vendor name in the box and selecting one of the options provided.

Add Item & Accounting screen

Add Item
This screen allows you to add items and accounting distributions to the requisition. Enter the item to be purchased (i.e. computer), the field will self-populate the available options. Select the description that best represents the item to be purchased. Once selected, the Commodity field will be populated and the detail screen will appear. On this screen you edit the Item Code (description), enter the quantity, unit price. Public Comments (item text) is where you add any additional information related to the item to be purchased.

Add Accounting
Click on the Add Accounting button at the bottom of the screen. Here you will enter the index, which will then populate the fund, and organization that will be charged. Other fields will have been populated when selecting the Item Code (description).

Attachments
Located In the upper right corner of the Add Item & Accounting screen is the Attachments button. This is where you attach the contract, quote, invoice and additional documents pertaining to the item(s) being purchased.

After documents have been attached, you can add, delete, and view attachments. When viewing any attachment, you can see the document stored in the B-F-DOCS application in Banner Document M a n a g e m e n t .

Starting the Requisition…

This section contains the tasks you perform using My Requisitions.

Create a requisition

To begin the purchase process, use the **My Requisition** dashboard screen to create a purchase requisition:

Procedure:

On the My Requisitions dashboard screen, click Create Requisition.

Requester Screen:

1. The Requester Information screen will appear, specify who is requesting the purchase using the available fields if you are not the default requester for the account,
2. Enter the Required Delivery Date,
3. Choose the Organization from the dropdown
4. Select the Ship To Location from the dropdown,
5. Enter the Attention To: in this format… **name/building/room/extension**

Vendor Information:

6. On the Vendor Information screen, select the vendor for the requisition. Start typing the name of the vendor to narrow the search.

Add Item & Accounting:

7. On the Add Item & Accounting screen, add an item using the Add Item (s) field. Start typing the name of the Item or use the Account & Commodity codes list found on Purchasing and Finance's Website links. Once a commodity code is selected, you will change the description to accurately describe the item being purchased. Add quantity and price. Public Comments (item text) is where you add any additional information related to the item/service to be purchased, such as part number, model number, etc.
8. Click Save.
9. Click Add Accounting.

   The screen refreshes with the required fields for accounting information. Enter the index and if shared funding, the amount that goes to that index. Continue adding indexes until the funding line is green (100% funded).
10. Click Save. The Requisition Summary updates.
11. Repeat steps 7-10 as necessary to add additional items to the requisition.
12. Save as draft if you want to return to the requisition before submitting or Submit Requisition to send the requisition for approval.

Copy a requisition

You can copy a completed requisition and use it as a template for a new requisition.

Procedure:
1. On the My Requisitions dashboard screen, click the completed requisition you want to copy. The requisition opens on the Requestor Information screen.
2. Click Copy Requisition.
3. On the copy prompt, choose the appropriate option.

Option	Description
Yes	The system copies the requisition and creates an identical requisition that you can edit.
No	The system cancels the copy.

4. Edit the requisition as appropriate, just as you would a new requisition.

Delete a requisition

You can delete any requisition that is in Draft status.

Procedure:
1. On the My Requisitions dashboard screen, click the requisition in Draft status you want to delete. The requisition opens on the Requestor Information screen.
2. Click Delete Requisition.
3. On the delete prompt, choose the appropriate option.

Option	Description
Yes	The system deletes the requisition.
No	The system cancels the delete.

Edit a Requisition

You can edit requisitions in Draft status. To edit a requisition in Pending status, you must recall the requisition.

Procedure:
1. On the My Requisitions dashboard screen, highlight the requisition number you want to edit.
2. Using the Next and Back buttons, edit the Requester Information, Vendor Information, and Add Item & Accounting screens as necessary.
3. Click Save as Draft if you want to return to the requisition before submitting or Submit Requisition to send the requisition for approval.

Add an attachment to a requisition

After an attachment is created, such as a Quote or Invoice, you can add an attachment to the requisition at any time before submitting the requisition.

Procedure:

1. Open the requisition in Draft or Disapproved status to which you want to add an attachment.
2. Click Attachments.
3. Click Attach File.
4. Using the Attach Documents prompt, choose a file to attach.
5. Select the Document Type.
6. Click Upload. The file is added to the Attachments screen list.

Delete an attachment from a requisition

If you want to delete an attachment from a purchase requisition, you can use the Attachments screen to delete one or more attachments.

Procedure:

1. Open the requisition containing the attachment you want to delete.
2. Click Attachments.
3. On the Attachments screen, click the attachment that you want to delete.
4. Confirm that you want to delete the attachment.

Recall a requisition

You can recall requisitions that are in Pending status.

Procedure:

1. On the My Requisitions dashboard screen, open the pending requisition that you want to recall.
2. Click Recall My Requisition.
3. On the recall prompt, choose the appropriate option.

Option	Description
Yes	The system recalls the requisition. The My Requisitions dashboard screen loads with the recalled requisition placed in the draft requisitions section with a draft status.
No	The system cancels the recall.

View as PDF

You can download the purchase requisition as a PDF file to verify requisition information is correct.

Procedure:

1. Open the requisition that you want to view as a PDF.
2. Click View as PDF. My Requisitions formats the requisition's information into PDF format.
3. Right-click the PDF file for other options, such as printing or saving the requisition.

Chartwells Purchases

Remember, Chartwells purchases must always be made by PO. Complete a Catering Order Sheet (https://isu.edu/studentunionscheduling/chartwells-catering/) to acquire a reservation number for your event, and submit your requisition in advance to allow time for processing.

- For any food purchases, you must include in **Public** (**document text) Comments** a description of what meeting, the items served, location, date, meeting length, and who (what group or groups) will attend.

- Each line item **Public (item text) Comments** should include all details of what is being ordered. Include a Chartwells reservation number in **Public (document text) Commen**t field on the Requester screen.

- If Chartwells will be serving more than one meal for your event, **put each meal/snack on a separate line**. They normally send one invoice/meal. If there are insufficient line items in your requisition and additional invoices are received, the PO will need to be modified.

Other activities a ReqMaster may be involved in;

- **Interdepartmental Transfer of Property Form**. Must be submitted to Inventory when it is necessary to permanently move goods (transfer inventory items) from one ORG (department) to another.

- **Off-Campus Authorization Form.** Must be completed for all inventory items sent or kept off campus.

- **Department Disposal Form.** Must be completed for all inventory items that need to be disposed.

- **Department Lost or Stolen Disposal Form**. Must be completed for all lost or stolen inventory items. Stolen items must be reported to Public Safety and the Incident Number provided.

These and other forms are located at isu.edu/purchasing/forms

How to log into the Test System (Pantera Web Portal Test)

From the Blue Page https://banweb.erp.isu.edu:7781/ Click on Panthera Web (Portal Test system)
Log in with your normal Bengal Web 4x4 and password.

Exercises ("Homework")

When completing this assignment, be sure to use an Index Code for an Org (department) for which you will actually be completing requests, even if you would not normally be requesting the items below.

The data below outlines information for five requests to be entered into Finance Self-Service *NEW* (BTEST2) using Requisitions. There are also three additional questions to answer. **Important: Click "Complete" when you are done with each requisition. When you are finished with those below, email the PDF, along with the question answers to Bonnie Liston@ listbonn@isu.edu by the date given to you during training.** Purchasing Services will review your requisitions. They may ask you to make some corrections. You will not be granted access to Self-Service Finance, Requisitions until your homework has been submitted and approved.

1. Vendor: City of Pocatello
Commodity Code: ROL97135
Service: Rental of picnic site #23 at Ross Park, July 1, 20##, 4:00–8:00PM.
Cost: $50.00
Quantity: 1 each

2. Vendor: Dell Marketing
Commodity Code: CEQ20455
Product: Laptop Studio 17, orange, 17", with web cam, 3gb memory Intel Pentium, Windows Vista Home Premium Edition SP1, 8X Slot Load CD/DVD Burner (Dual Layer DVD+/-R Drive). 250GB SATA Hard Drive.
Part/catalog #: D1755321
Cost: $999.00

Quantity: 3 each
Commodity Code: CPS20734
Product: 17" Black/orange laptop soft-side carrying case with 3 outer pockets and shoulder and hand strap.
Part/catalog #: D2361 **Cost**: $36.00 **Quantity:** 3 each

Commodity Code: CPS20468
Product: Logitech Optical Mouse, orange.
Part/catalog #: D8157 **Cost**: $53.00 **Quantity**: 3 each

3. Vendor: United Mailing Direct

Commodity Code: SRV91558

Service: Printing, tabbing, sorting, and mailing of Continuing Education summer brochures. 23 screens including cover, 20# white paper. 10 % overage allowed, 0% underage allowed per attached quote.

Cost: $1.00

Quantity: 4,000 each

4. Vendor: Knight Styles Sewing

Commodity Code: OTS20092

Standing Order for Idaho State University Tiger logo embroidered full-zip fleece vests. Vests may either be Black, Orange, or Beige. Sizes that can be ordered are Women's XS-XXL and Men's S- XXXXL. Orders must be placed between 7/1/xx and 6/30/xx. Unit cost $10,000.00 for the term of the purchase order. Purchase Order number must be printed on all invoices.

Individual costs:	Women's XS-XL	$17.50
	Women's XXL	$19.50
	Men's S-XL	$18.95
	Men's XXL-XXXXL	$22.50

5. Request furniture for a remodeled classroom to include:

Commodity Code: EDS42084

Product: Hon #3265 HON Accomplish Combination Chair Desks, 18" Seat Height. Color Titanium.

Cost: $213.00 each

Quantity: 24

Commodity Code: EEQ42086

Product: Rectangular Tables Hon # 2258 Activity Rectangular Tables, adjustable legs, color Navy

Cost: $615.00 each

Quantity: 6

Commodity Code: EEQ42086

Product: Smart Link Modular Storage Unit Hon # 6537 60" H X 36" W X 24" D with four 4" casters and locking door, color Titanium.

Cost: $1,950.00 each

Quantity: 1

After entering the above items, change the quantity of tables to 4 each, and delete the storage unit.

Questions…

1. Public (document text) Comments
   a. Why would you use it?
   b. What screen is this located on?
   c. Who will see the information you entered here — the Buyer, the Vendor, or both?

2. Public (item text) Comments
    a. Why would you use it?
    b. What screen is this located on?
    c. Who will see the information you enter here — the Buyer, the Vendor, or both?

3. In the Requestor/Deliver information block, what is typed in the "Attention To" field?

4. What are the steps to take if a vendor is not in Banner?

Supplemental Information

Querying Document History

To find out what has become of your request and what stage it has reached in the purchasing process, you may query document history using **FOIDOCH or Bengal Web View Documents.**

FOIDOCH:

Document History FOIDOCH 9.3.2 (BTEST2)			ADD · RETRIEVE · RELATED · TOOLS
Document Type: REQ Requisition Document Code: R0029654			Start Over

▼ DOCUMENT HISTORY · Insert · Delete · Copy · Filter

Document Type	Document Number	Status	Status Description
Requisition	R0029654	A	Approved
Purchase Order	P0027305	A	Approved
Invoice	I0167403	P	Paid
Check Disbursement	23248930		
Receiving Documents	Y0029767	C	Completed

|◄ ◄ 1 of 1 ► ►| 10 ▼ Per Page   Record 1 of 5

1. Open the **FOIDOCH** form.

2. Enter REQ in the **Document Type** field.

3. Type in your requisition number in the **Document Code** field.

Document History FOIDOCH 9.3.2 (BTEST2)		ADD · RETRIEVE · RELATED · TOOLS
Document Type: REQ ...	Document Code: ...	Go

Get Started: Complete the fields above and click Go. To search by name, press TAB from an ID field, enter your search criteria, and then press ENTER.

If you do not know your requisition number, you may search, but first you will have to select Requisition (REQ) in the **Document Type** field. Then, click the search button (**…**) next to **Document Code**. The **FPIRQST** form opens; select Filter located on the toolbar. The following screen appears. You can search on any of the fields shown. (%) can be used as a wild card to assist in the search. Select **GO**, the screen will display the first of the filters (Requester Name) selected… all documents created by Requester Name will be displayed. Note the pages listed on the bottom toolbar, these are the total number of documents located per the applied filter.

4. **Double –click on the number or Select** to display the Requisition Number, click Related, select Requisition Info (FPIREQN), information related to each tab within the requisition is now available.

Bengal Web View Documents:

To track the status of your request in BengalWeb. Click on the **View Document (Requisition Tracking)** link found in the **Requisitions** channel on the **Purchasing** tab…
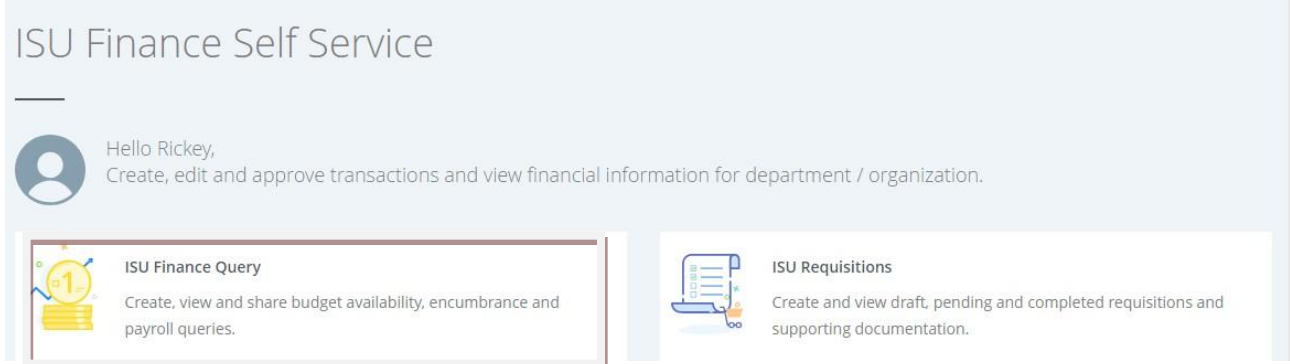
You may also track you requisition using the View Documents from the ISU Finance Self Service Page.
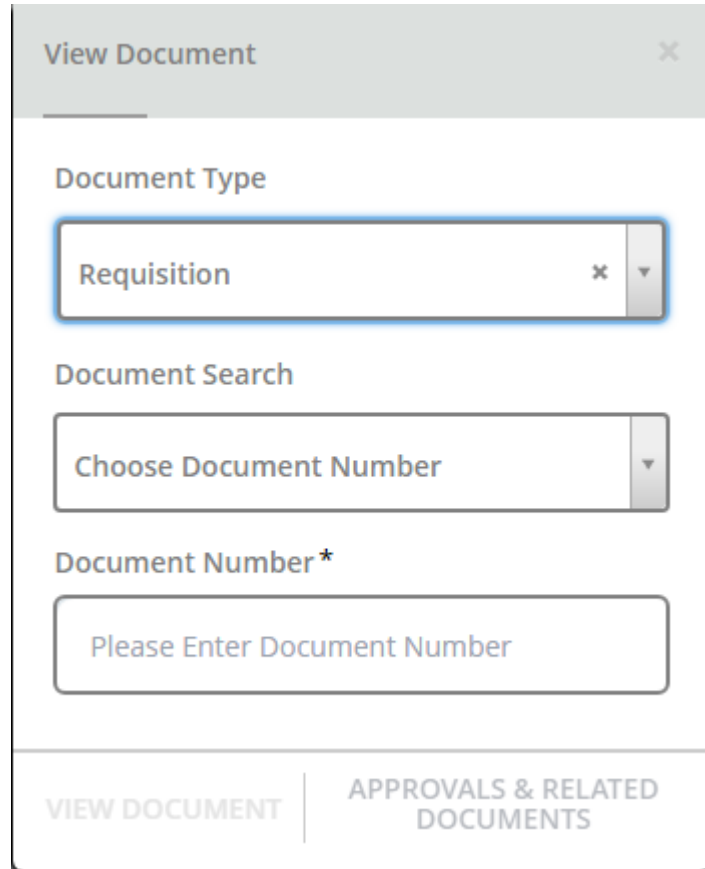
Select ISU Finance Query.

Click the [icon] icon located in the upper right of the My Finance Query screen. The View Document screen below will display

Enter the Document Type, Document Number, Click on **View Document**.
A PDF version of the requisition queried will display. You can also click on the **Approvals & Related Documents** button to display and search associated documents.

Following through on Requisitions

It is your responsibility as a ReqMaster to make sure that all requisitions you create go through the approval, receipt and payment processes and are not "left hanging". To ensure that this happens, you must track your requisitions as described on the previous pages. Use **FOIDOCH** or **View Documents** to track approval, purchase order number/date, receiving status and payment(s). Banner will generate and send Action Reports for requisitions and purchase orders that are "left hanging".

Approval process: Send an email to the approvers of your requisition letting them know your requisition is ready for their review/approval.

Purchase orders: Once a Buyer processes your requisition into a Purchase Order, the PO number and date will become available. The order is *usually* placed on the date of the PO or shortly thereafter.

Receiving reports: Orders that are shipped to 638 East Dunn will have receiving reports completed by Central Receiving Department. In special situations orders are shipped directly to the department and will require the department to supply the *Departmental Receiving Report* to Purchasing using buyers@isu.edu, or campus mail STOP 8110.

Invoicing: When a receiving report has been completed for an item, Accounts Payable is able to make payment on the received items. If the receiving report is completed and an invoice is not posted in a timely manner, you may need to contact the vendor to request a copy of the invoice to send to accounts payable.

Payment: Once all the above has been competed a check will be dispersed to the vendor/supplier.

Commodity Codes

- **Commodity Codes** identify types of goods or services
- **Account Codes** identify categories of expense

For each item to be purchased, the person creating the requisition (ReqMaster) selects the correct Commodity Code.

Commodity Code **Account**
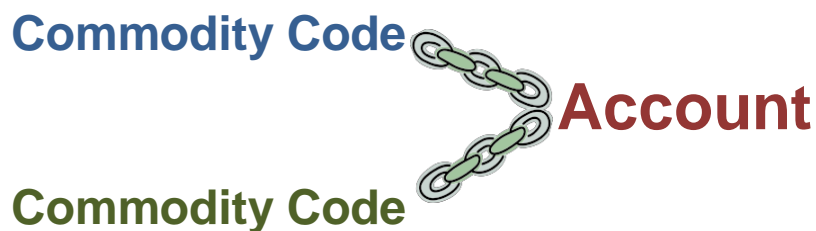
Commodity Code

One or more Commodity Codes may be linked to each Account Code. When a ReqMaster selects a Commodity Code, Finance Self-Service *NEW* automatically fills in the corresponding Account Code.

Banner Finance Glossary

Account: The "A" in FOAPAL (*see "FOAPAL).* A category of expense as tracked by Finance (what the money is being spent on). Replaces pre-Banner ISU object code.

Chaining: A deliberate attempt to avoid exceeding purchasing dollar limits by breaking a single-vendor purchase into multiple orders. Chaining is prohibited for any method of procurement, whether done with a purchase order or a P-Card.

Commodity Code: An alphanumeric code designating the type of item being purchased. Each Commodity Code is linked to an Account Code. A number of Commodity Codes can be linked to a single Account.

Delegated Purchasing Authority: The Administrator of the Idaho Division of Purchasing, Department of Administration, delegates authority to Idaho State University Purchasing Services via the University President to execute agreements to procure goods and services utilizing University funds. Idaho State University Purchasing Services in turn delegates authority to University employees by way of a P-Card or purchase order to procure goods and services.

Encumbrance: A burden against a specific budget for a purchase; an amount of the available balance in a FOAPAL earmarked for paying known obligations. Established when a purchase order is created.

Ethical Code of Conduct: Conforming to professional standards, of or relating to moral action, motive or character.

FOAPAL: An acronym representing each element of the Banner chart of accounts: **F**und, **O**rganization, **A**ccount, **P**rogram, **A**ctivity, and **L**ocation.

Index Code: A shorthand way of referring to the FOP part of a FOAPAL (*see "FOAPAL").*When creating a requisition, selecting the appropriate Index code populates the Fund (source) Org (department) and Program (purpose). Replaces pre-Banner ISU account number.

Organization: The "O" in FOAPAL (*see "FOAPAL").* Defines the department or budget units responsible for the financial activity (who is doing the spending).

Purchase Card (PCard): State of Idaho Bank of America.

Program: The "P" in FOAPAL (*see "FOAPAL").* Defines the functional area in which funds are being spent (which purpose of the university is being supported, i.e., instruction, research, public service, etc.).

Procurement or Purchasing Activity: Act of obtaining or acquisition; approval, disapproval, or recommendations concerning a purchasing transaction; preparation of any part of or influencing the content of any specification related to acquisition activities.

Purchase Order (PO): A formal document used to request goods or services in return for payment.
- **Regular PO** (*will encumber funds*). All commodities have quantities and unit price.
- **Standing PO** (*will encumber funds*). Useful if paying for repetitive goods or services.(not rentals)

Reservation: An internal request for expenditure against a budget that occurs when an electronic requisition is approved.

Requisition: An electronic request to purchase goods or services.

Standing Order: A standing order is used when a product, product type, or service is repeatedly requested from a Vendor over a period of time. When the purchase order is created, the money is encumbered (*see "Encumbrance"*).

Vendor (supplier): A company or person selling goods or services to the University.

Questions to Ask Yourself Before Completing a Requisition

Question	Why It's Important to Know
Is the unit price <$299, or is the item "consumable"? • If so, does the Commodity Code NOT have ">$299" or ">$5000" in its description?	**Commodity Codes** *without* **">$299" or ">$5,000" in the description** should only be used for items that are less than $300 *or are consumable*. The definition of consumable is that the item will be used up or not have any value after one year. **Note**: This means that if an item costs more than $299 but is consumable, you must use the code *without* ">$299" or ">$5,000."
Is the unit price >$299 but <$5,000? • If so, does the Commodity Code have ">$299" in its description?	**Commodity Codes with ">$299" in the description** should only be used when the item is more than $299 but less than $5,000. **Items $300 and over must be categorized as "assets"** according to state requirements. **Items $2,000 and over require an inventory tag** for tracking purposes. If a ">$299" Commodity Code is not used, items cannot be categorized or tagged properly.
Is the unit price >$5,000? • If so, does the Commodity Code have ">$5,000" in its description?	**Commodity Codes with ">$5,000" in the description** should only be used when the item is $5,000 or more (final cost — including any installation, etc., and minus any discounts). **Items $5,000 and over require an inventory tag and are depreciated over time**. Again, if an inappropriate Commodity Code is used, items cannot be accounted for properly.
What is the purpose of purchasing this/these item(s)? • If the purpose might be at all unclear, have I explained it in Document Text?	You should always choose Commodity Codes based on what an item will be used for. If the use is unknown and you have given no explanation, when Purchasing or Finance reviews your order, the Commodity Code might be changed to one more appropriate.
Will the items being purchased be put together to make a single item? • If so, what is the price of the completed item (<$299, >$299 or >$5,000)?	When buying items that will be attached to a larger assembly, you must use the Commodity Code for the **finished product. Choose the Code according to the total price of the finished product**, i.e., the sum of all the parts. *Be sure to use the same Commodity Code for ALL items to be included.*