Process Name: BPA Purchasing Process
Date: 10/13/05
Time: 8:00
Location: Executive Conference Room

Participants: Patty Roach, JoAnn Wolf, Noe Hernandez

Session Lead: Patty Roach

Narrative/Description: Noe Hernandez
Paper Requisitions - Purchasing receives a requisition in the office. The process is a little different if the requisition is paper versus electronic. When the paper requisition is received, it is dated, reviewed and entered into an excel spreadsheet and assigned a number that will eventually becomes part of the purchase order number. At that point the requisition is checked for correct approval signatures and making sure the vendor is already in FRS. It is also checked to make sure that it is not a non-compliant purchase (these are handled differently). Then the requisition is forwarded to a buyer for coding. The buyer also determines the type of purchase (i.e. state contract, DIR Contract, E&I Contract, bid, etc.). The buyer reviews the requisition and assigns a PO type (i.e. Regular Order, State Contract, Check with Order, No Receiving, Confirming Order, Master Order or Quote Order). The requisition is also coded with an object code. The codes are entered on the paper requisitions themselves. (Coding for online requisitions is entered on a Requisition Change Form.) When the requisition is reviewed and coded, it is determined if the suggested vendor will be used or if another vendor will be used. The requisition is checked for the appropriate account requirements (i.e. if the requisition has more than one account, they must all to be either state or local accounts on the same requisition – This is a restriction of the FRS system). If everything is correct then the requisition is returned to secretary for data entry. When the information is entered in FRS, the system determines if funds are available. When the process is complete the purchase order is printed and forwarded to the Director for signature. At that point, it is determined if additional approvals are needed or if a contract must be signed and attached to the purchase order. The signed purchase order and documentation is returned to the secretary for separating and distributing the copies of the purchase order. The purchase order is made up of 4 copies (white=vendor, blue=purchasing, green=department, and pink=central receiving). Most of the orders (about 90%) are faxed to the vendors. Sometime the vendor does not require the hard copy of the order and the white (vendor) copy is discarded.
Exception: Advertisements for Human Resources. The department brings a requisition and Purchasing assigns a number. Human Resources places the ad and returns the numbered requisition to Purchasing. A purchase order is printed but the vendor copy (white copy) is discarded. That may be the case with some other ads as well (i.e. radio announcements).
The copies of the purchase order are distributed depending on the type of purchase (i.e. Regular Order, No Receiving, etc.). The white copy is sent to the vendor either via fax, or mailed. The white copy of the purchase order is sometimes e-mailed to the vendor (i.e. Xerox - These are scanned into ImageNow and e-mailed from the purchasing scan

queue.) When the orders are not e-mailed the blue copy is scanned with any documentation into ImageNow. The blue copy is kept in the purchasing office with the original requisition for 30 days. These copies are destroyed after 30 days. The green copy is sent back to the department along with a copy of the requisition. The pink copy of the purchase order is sent to Central Receiving. Some requisitions are not turned into a purchase order because the University credit card will be used. Again we need to have a local account in order to use the University credit card.

Online Requisitions: The buyer pulls a list of requisitions entered online and reviews the type of purchases and assigns codes. The coding for the online requisitions is manually entered on a Requisition Change Form, and forwarded to the secretary for processing. The requisition is transferred from the requisition screens in FRS to the purchasing screens and processed from there. The purchase order is printed and forwarded to Director for signature. If this is for RGC, Business Services gets green, and pink copies of the order, unless otherwise noted. The white copy may also go to them if requested. When an order is processed for the Alpine campus, the copies are distributed the same way as copies generated by a paper requisition.

Check with Order, Confirming Order PO Types: The white copies of the orders and any other documents are sent to accounting. Copies are kept and scanned by Purchasing.

No Receiving PO Type: When a No Receiving purchase order is processed, the white (vendor) copy of the purchase order is usually sent or handed to the end-user. If the end-user will pick up the merchandise, the white copy is given to them. If a secretary is picking up the white copy of the purchase order, the department (green copy) is usually given to them, instead of mailing them their copies. If the white copy of the order is not picked up, the order is faxed or mailed to the vendor, and the copies are distributed normally via campus mail.

State Contract Order: The SRSU purchase order becomes the State's (TBPC) requisition. When our purchase order is signed, it is given to the senior buyer for entry into the State's Impala system online. The information needs to be entered exactly as indicated on the contract. TBPC issues a state PO to the vendor and sends a copy to SRSU (this will take a few days). When the white copy of the state purchase order is received, it is scanned. The information is given to the Senior Buyer. In FRS, the vendor is changed from TBPC to the vendor assigned and a new purchase order is entered with the number assigned by the state. (When the state separates the items ordered into different purchase orders with different numbers, new purchase orders are created using the state assigned numbers.) The scanned image is linked and cross referenced in ImageNow and FRS to the original purchase order. The original scanned documents (our purchase orders) are then re-linked to the newly assigned purchase order number (assigned by TBPC). Copies of the state contract are then distributed and the original is filed for 30 days.

Overrides: When online requisitions come up red in the system, they will be processed because the approval is done by Business Affairs at the requisition level. The requisition will not show up in Purchasing's approval queue (screen 214), until this approval has taken place. When revenue accounts are used, with paper requisitions, Purchasing is doing a manual review before requesting overrides. When paper requisitions come up red, Business Affairs is contacted for approval on the override. If an override is approved, this is notated on the requisition and the order is overridden in FRS.

Some of the requisitions received at the purchasing office are non-compliant. Non-compliant orders have a separate BPA.

Electronic Inputs: Online Requisitions, E-mail approvals, scanned images
Manual/Paper Inputs: Paper Requisitions, supporting documents (contracts, invoices, specs, quotes, correspondence, etc.)
Key Decision Points (list all): Is there money available, is it an approved purchase, is it an appropriate purchase, will the credit card be used, what procurement method should be used, what purchase order type should be used, is it for a non-compliant purchase, is it a paper or online requisition, it is an Alpine or RGC requisition
Related Policy(s): Administrative Policy Manual, Executive Committee Directives, Travel policies, State Policies, Board of Regents Policy, TBPC Policy
Interface to Other Systems: ImageNow, Impala System, Excel Spreadsheets
Web Features: None
Electronic Outputs: Focus Reports, Imaged Files
Manual/Paper Outputs: Purchase Orders and supporting documentation
Customer(s): Departments, Purchasing, Post Office, Vendors, Phone Company, Accounting, Central Receiving, RGC, Taxpayers

Regulatory Items: Texas State Statutes, Texas Comptroller's Office Rules & Regulations, TBPC Rules, HUB Rules
Frequency/Volume: 6,000 per year
Potential Break Points: No money in the account, no signatures, not an approved purchase, non-compliant purchases, FRS System or any technology system not available, requisition forwarded for signatures are never returned, no vendor information, no purchase order returned from state, department doesn't send appropriate documentation, wrong account number or no account number on requisition, mixing state & local accounts on the requisition, duplicate requisitions
Automation: Online requisition, online requisition approvals
Issues: Requisitions are submitted when no funds are available, not enough information on the requisitions, people making purchases outside of the process, FRS does not allow a combination of local and state account, no real-time master orders, future orders or budget adjustments, multiple payment option is not working properly (allows accounting to pay invoices once the purchase order is finalized), some of the purchase orders are used as encumbrance only.