MM_ME21:

Create a Purchase Order: Facilities-Related Service (FOF)
Overview

The procedures described in this document cover instructions for the creation of a purchase order (PO) that is used to procure services that are facilities related and will be expensed directly against a department or project account. Once a purchase order is initiated, it will be approved by the Facilities Manager and Vice-President of Administrative Services (or designee) at the college originating the request. If the request is a contract PO or is under $5,000, the user will enter this information into SAP as a PO. If a request is for a facilities related service (maintenance or public works project) $25,000 or less, the user will enter this information into SAP as a PO, “Facilities Order Form” (FOF) document type.

OBJECTIVE(S):
- To create a purchase order for a Service

Access Create Purchase Order

1. Select Logistics > Materials Management > Purchasing > Purchase > Create Purchase Order from the menu tree.

NOTE:
Entering the technical name for the transaction in the Command field can shortcut using the menu tree. Here you could enter <ME21> to go the same screen.
2. The Create Purchase Order: Initial Screen appears.

![Create Purchase Order: Initial Screen](image)

Create Purchase Order: Initial Screen

1. The cursor starts in the Vendor field. The Vendor field is for the vendor that is to be used for the PO. If the vendor is not known, use the Matchcode icon to see a list of options available.

For training purposes, click on the Matchcode icon in the Vendor field. Search for and choose the Vendor that the instructor assigns you. (e.g., Vendor 01, Vendor 02, Vendor 03, etc.). The Vendor number will populate the Vendor field.
2. Press [Tab] to move to the **Order Type** field. The **Order Type** field denotes the kind of purchasing process that is to be followed. The field defaults to ‘PO’ for standard purchases. In transactions requiring a Facilities Order Form, “FOF” will be identified.

For training purposes, change the **Order Type** field to <FOF>.

3. Click on the **Purch. organization** field. The **Purch. organization** field is for the code of the organization initiating the order. The field defaults to “1”, LACCD’s code.

For training purposes, leave the **Purch. organization** field as <1>.

4. Press [Tab] to move to the **Purchasing group** field. The **Purchasing group** field is for the number that identifies a buyer. The number will default to the code assigned to the user. This should be the code of the purchasing person responsible for processing the PO.

For training purposes, enter <PFM> in the **Purchasing Group** field.

5. Click on the **Item category** field. The **Item category** field defines how the procurement of a service item is controlled. **Only** enter <D> in the **Item category** field if you wish to fill out the Service Specifications form.

For training purposes, enter <D> in the **Item category** field.
6. Click on the **Acct. assignment cat.** field. The **Acct. assignment cat.** field is the flag that determines the type of account to charge for the financial transaction.

Note: When filling out a FOF, the **Acct. assignment cat.** field can be furnished with a C (Cost Center), S (Specially Funded Program), M (Maintenance Project), or P (Public Works Project). Refer to the Facilities Decentralization Manual to determine the correct account assignment category.

For training purposes, enter `<P>` in the **Acct. assignment cat.** field.

7. Press `[Tab]` to move to the **Delivery date** field. The **Delivery date** field is the date on which the service(s) are to be delivered. The system will default to the current date but you should enter the date on which the material is required.

**“DELIVERY DATE” FIELD:**

A. General purchasing

This date is a time estimate for which your vendor will deliver the requested goods (usually a week or more). The encumbrance date is the date on which the document was posted (“saved”). For example, if an individual were to order some office supplies in SAP on July 1, 2002, he or she would enter a probable delivery date of July 15th or later. If the document were posted on July 1st, funds would be encumbered on that same date.
However, in instances where you need to encumber funds for the subsequent fiscal year, the value inputted should be a date after the start of the new fiscal year (i.e., a date after July 1st). The delivery date for this latter situation will therefore also be the encumbrance date for that document. For example, the SAP user enters an order in May 2002 but wants to use 2002-2003 funds. He or she would enter a delivery date of July 1st or later to encumber funds for that specific year.

B. Contracts

This date is the ending date of the agreement (assuming the term is one year or less). If the term exceeds the current fiscal year (i.e., June 30th) or is a multi-year contract, only the last day of LACCD’s fiscal year can be inputted (e.g., 06/30/02) due to budget availability constraints. For each additional year, the user must change the document and reflect the new dates so that funds can be properly encumbered.

Similar to general purchasing, the date on which the document is posted is the same date on which funds will be encumbered. Furthermore, contracts that are to be initiated in subsequent fiscal years (e.g., entered in May but require next year’s funds) must also have a date entered in the “Delivery date” field of July 1st or later.

For training purposes, enter <a date approx. 2 weeks past today’s date> in the Delivery date field.
8. Press [Tab] to move to the **Plant** field. The **Plant** field represents the campus location.
9. Click on the **Matchcode** icon beside the **Plant** field.
10. A screen consisting of a list of possible values for the **Plant** field appears.
11. Select the `<Plnt code>` for the correct campus from the list.

For training purposes, choose `<P>` for Pierce college.
12. Click (Copy) to return to the Create Purchase Order: Initial Screen.
13. The plant identifier (campus) selected appears in the Plant field.

14. Press [Tab] to move to the Material group field. The Material group field is for the commodity group that identifies the material being purchased. If the material group is not known, use the Matchcode icon to see a list of options available. In addition to, the Material group field will also identify the type of contract document to be outputted such as a Facilities Order Form (FOF).

15. For training purposes, Click on the Matchcode icon beside the Material group field. A screen consisting of a list of possible values for the Material group field appears.
For training purposes, Select/Highlight <Prof. Svc. Agreement>.

16. Click **(Copy)** and return to the Create: Purchase Order: Initial Screen. The material group selected appears in the Material group field.

18. Press **(Enter)** to continue to the next screen.
Create Purchase Order: Header Data screen

1. Enter the Validity start date (the beginning of the service) and the Validity end date (the end date of the service).
2. If there was a pre-existing contract, enter the contract number in the Our Reference field.
3. Click on the (Enter) button and the Service Specifications: Requisition specs. Screen appears:

Service Specifications: Requisition specs. for PO Item screen

1. The Service Specifications: Requisitions specs for PO Item screen appears.
2. Enter a short description in the **ShortTxt** field. It is very important that you furnish complete information describing the requirement.

3. If you **do not** know the estimated value of the service to be provided, then enter the expected value in the **Expected value** field.

   If you know the overall limit of the service to be provided, then enter the value in the **Overall limit** field.

   For instance, lets say that the service to be provided is to fix a toilet. You estimate the cost of the service to be $100. However, once the plumber comes to inspect the toilet he states, “sorry, but it seems to me that you need to replace the pipes and that will cost an additional $50.”

   If the **Overall limit** was $151, then everything would be fine. However, if the Overall limit was $149, then you would not have enough money and SAP would not fulfill the transaction.

4. If you know the value of the service to be provided, then leave the **Overall limit** field **and** the **Expected value** field **blank**. Instead, proceed to the Service line table.

   For training purposes, leave the **Overall limit** field and the **Expected value** field blank. Click on the **Short text** column.
5. Enter a short description of the service in the **Short text** column.

6. Press [tab] to move to the **Quantity** field. Enter the Quantity.

   🔄 For training purposes, enter <100> in the Quantity field.

7. Press [tab] to move to the **U** field. The **U** field determines how to measure the service (e.g. each, percentage, etc.)

   🔄 For training purposes, enter <%> in the **U** field.

8. Press [tab] to move to the **Gross price** field. Enter the value of the service in the **Gross price** field.

9. Click on the ✅ (Enter) button.

10. The **Account Assignment of Service** pop-up box appears:
Enter Account Assignment

1. The Account Assignment of Service screen appears.

2. The cursor starts on the G/L account field. Enter the <appropriate G/L account number>.

   For training purposes, enter <452100> in the G/L account no. field.

3. Press [Tab] to move to the WBS element field. Enter the <appropriate WBS to be charged>.

   For training purposes, enter <90255-P0000> in the WBS element field.

4. Press <ENTER> on the keyboard. If there is more than one line for this service and the account assignment information is the same for all lines, you may press the Auto repeat AA button to repeat the information for all lines. If the Auto repeat is not used, you must enter the account assignment information on all lines.

5. If multiple accounts are to be charged for the same service item, select the (change display) icon to get the Account Assignment of Service screen.

   For training purposes, click on the (change display) icon.
Account Assignment of Service

For training purposes, change the distribution indicator to “Distrib. By percentage.”

1. On this screen you can allocate the service by quantity or by percentage.

2. If you have multiple line items in which the cost will have the same cost assignment, you may repeat the account assignment using the following steps.

   a. Select Edit > Repeat acct. assgt > Repeat acc. Ass on on from the menu bar.
b. If you want to disengage the repeat account assignment, follow steps (1) and (2) as referenced above, then select **Repeat acc. Ass. Off.**

3. Click on the **(back)** button to return to the main service definition screen. Then select the **(back)** button again to go to the **Create Purchase Order: Item XXX** screen.

**Create Purchase Order: Item XXX screen**
1. Ensure that the **tax code field** is furnished with a “I0” or “I1”. “I0” represents a service with no tax. Likewise, the user can enter “I1” into the **tax code field** if he or she wishes to add tax to the line item.

2. Verify that the S-based IV check box and the GR-Based IV check box are selected to ensure that the invoice cannot be posted for greater than the received amount. Also, verify that the GR box is not checked (services do not get a Goods Receipt).
3. Click the (back) button to go to the Item Overview screen or if all Services (line items) have been assigned, then click on the (Save) button.

🙏 For training purposes, click on the button.

Note:
View the status bar to verify the PO transaction.

Record the Purchase Order (PO) number!

SECTION COMPLETE