City of Salem, VA
New World Systems
Purchase Order Processing

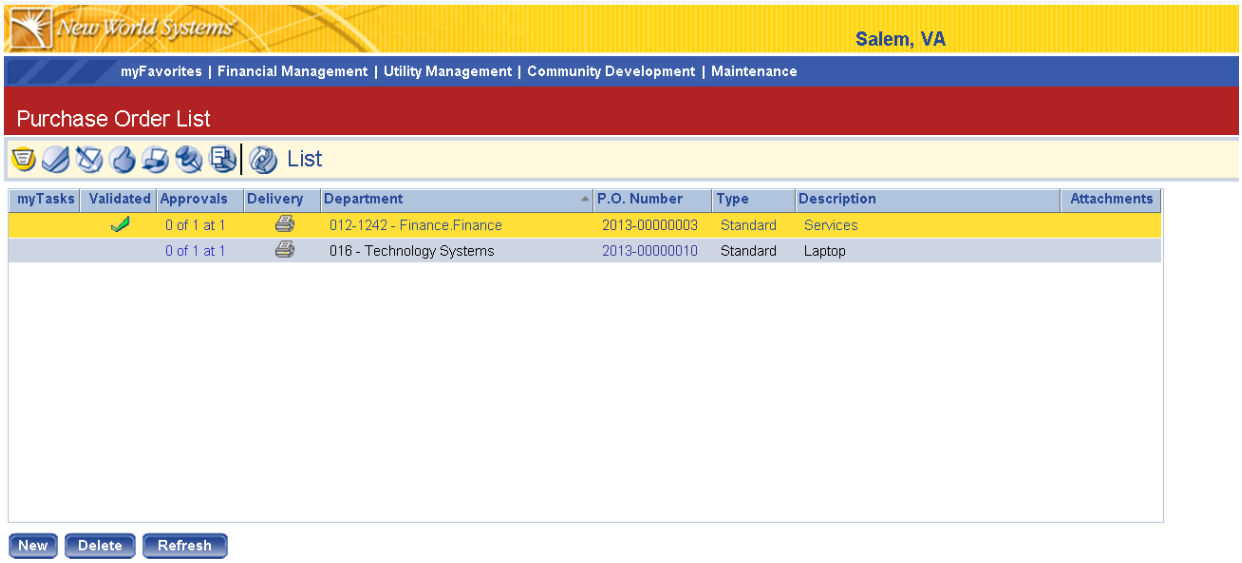
Financial Management → Procurement → Purchasing → Purchase Orders

A purchase order is required for all purchases over $2,000 if they are required to go through the procurement process. Please see Finance for a list of transactions that are not required to go through the procurement process. Exceptions should be discussed with Finance on a case-by-case basis.

The general process work flow for creating a Purchase Order in Logos is:

Enter and Save the PO → Validate PO → Approve PO → Print PO → Post PO

<u>Purchase Order List</u>



The Purchase Order List screen shows purchase orders that have been created but not yet posted. You will see all purchase orders for your department, whether created by you or someone else in your department. The Purchase Order List screen gives basic information about the purchase order. You can open up purchase orders by clicking on the P.O. Number.

Hit the "New" button to create a new purchase order

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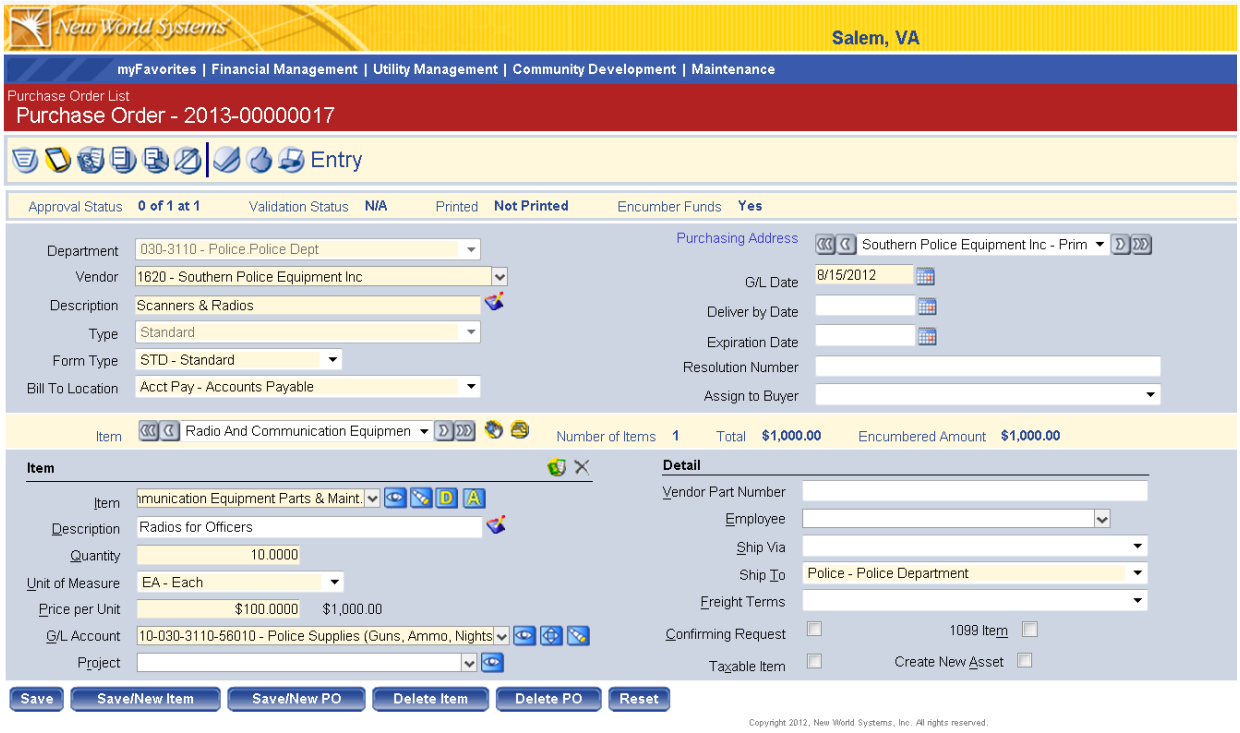
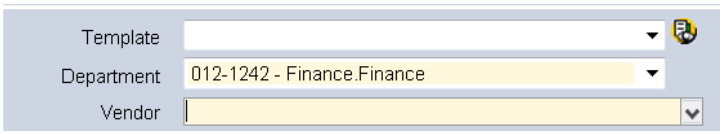
Purchase Order: Entry



Fields shaded yellow are required. The top portion of this screen is the purchase order header. The header contains general information related to the purchase order. The bottom portion is where you enter the items to be included on your purchase order. While a purchase order (header) can be for only one vendor, that purchase order may contain multiple items that get charged to different GL account numbers, have different prices, quantities, etc.

Purchase Order Header Field Descriptions:

Templates: Can pull in PO templates for reoccurring purchase orders. This will populate all of the fields created on the template purchase order. This field will disappear once you save if you did not choose a template purchase order.



Copy PO Icon: Allows you to search for a specific PO that was created in the past and recreate it. You can search by vendor and PO #.

Department: Select the department entering the purchase order. This will default to your home department. Some users will have multiple departments displayed in the drop down menu, based on permissions.

Vendor: Select a vendor to purchase items from. You can search the vendor list by typing part of the vendor name or number and the system will narrow down the available vendors based on your search.

> NOTE: If the vendor you are purchasing from is not currently in the vendor list, you will need to complete a Vendor Change Request. See Appendix A for instructions on Vendor Change Requests.

Description (Header): This will show on the PO list screen (previous screen). This description identifies the purchase order for internal purposes and will not print on the PO. This is an overall description of the PO summarizing the items to be purchased. You can have multiple items with detailed descriptions in the bottom half of the purchase order.

- **One Time Message:** Will show up on the bottom of the Purchase Order Form under the Special Instructions section. The One time message icon will have an asterisk next to it when a message has been entered

Type: The PO type identifies the type of purchase order being entered. There are four types of POs to choose from:

- Blanket – For purchase orders that will span a period of type or encompass an entire project. These include annual lease agreements, capital projects, etc.
- Contracts – For purchase orders that are part of a contract. One example of this would be items purchased for state contract. If this type is selected, 3 quotes will not be necessary.
- Emergency – For purchase orders that will not have quotes because of the emergency nature of the purchase. If this type is selected, an emergency authorization form will need to be added as a "Document" to the PO.
- Sole Source – For purchase orders that will not have quotes because the vendor is a Sole Source. If this type is selected, a sole source form will need to be added as a "Document" to the PO.
- Standard – This type should be selected if the purchase order does not fall into one of the above PO types. Most purchase orders will be Standard.

Form Type: Will default in based upon selection of the PO type. Will always be "STD – Standard". This identifies the way the PO form will look when it's printed.

Bill to Location: Almost all purchase orders will have a bill to location of Accounts Payable. Once accounts payable receives an invoice, it will be scanned and emailed to the department to

notify them that an invoice is available for input. Use the drop down if you wish to change the bill to location. A select few purchase orders will be billed to civic center PO Box or VASAP.

Purchasing Address: Populated in when Vendor is selected. You can hover over the vendor name to see the purchasing address, and click the arrows to change the vendor name or address if a vendor has multiple names or addresses.

G/L Date: Select appropriate G/L date, default is today. **IMPORTANT: The G/L date should be the date that the items were ordered or a contract was signed and the funds obligated.**

Delivery Date (optional): Fill in delivery date desired for the purchase order

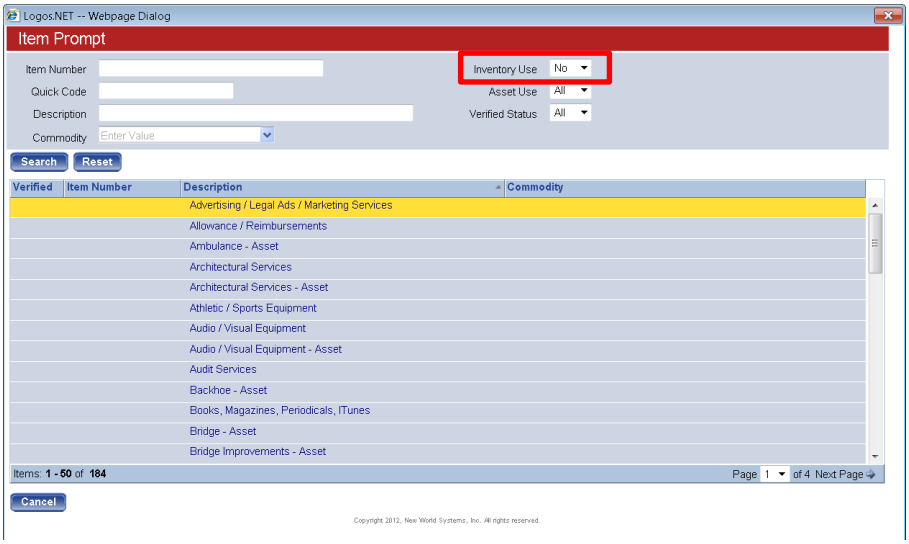
Expiration Date (optional): Fill in expiration date for the purchase order. It will give a warning to any user that tries processing this purchase order after the expiration date.

Resolution Number (optional): Enter resolution # if available. A resolution # would only be available if the purchase was specifically approved by City Council.

Assign to Buyer: This field should be left blank

Purchase Order Item Field Descriptions:

Item: Select an item to purchase. This is a pre-populated list of values that is used to describe what you are purchasing. For example, in the print screen we are purchasing "Radios for Officers" so the item selected is "Radio And Communications Equipment Parts & Maint". For inventory items, you should select the item with the inventory number that you are purchasing. An inventory item should not be selected unless purchasing inventory. You can tell which ones are not inventory by clicking the eyeball icon and selecting "Inventory Use" to "No" at the top. Analysis can be performed on items to see the buying patterns that have occurred in the past by clicking the telescope icon .



Description: Enter a detailed description specifying what is being purchased.

Ex: Item = Radios And Communications Equipment Parts & Maint, Description = Radios for Officers

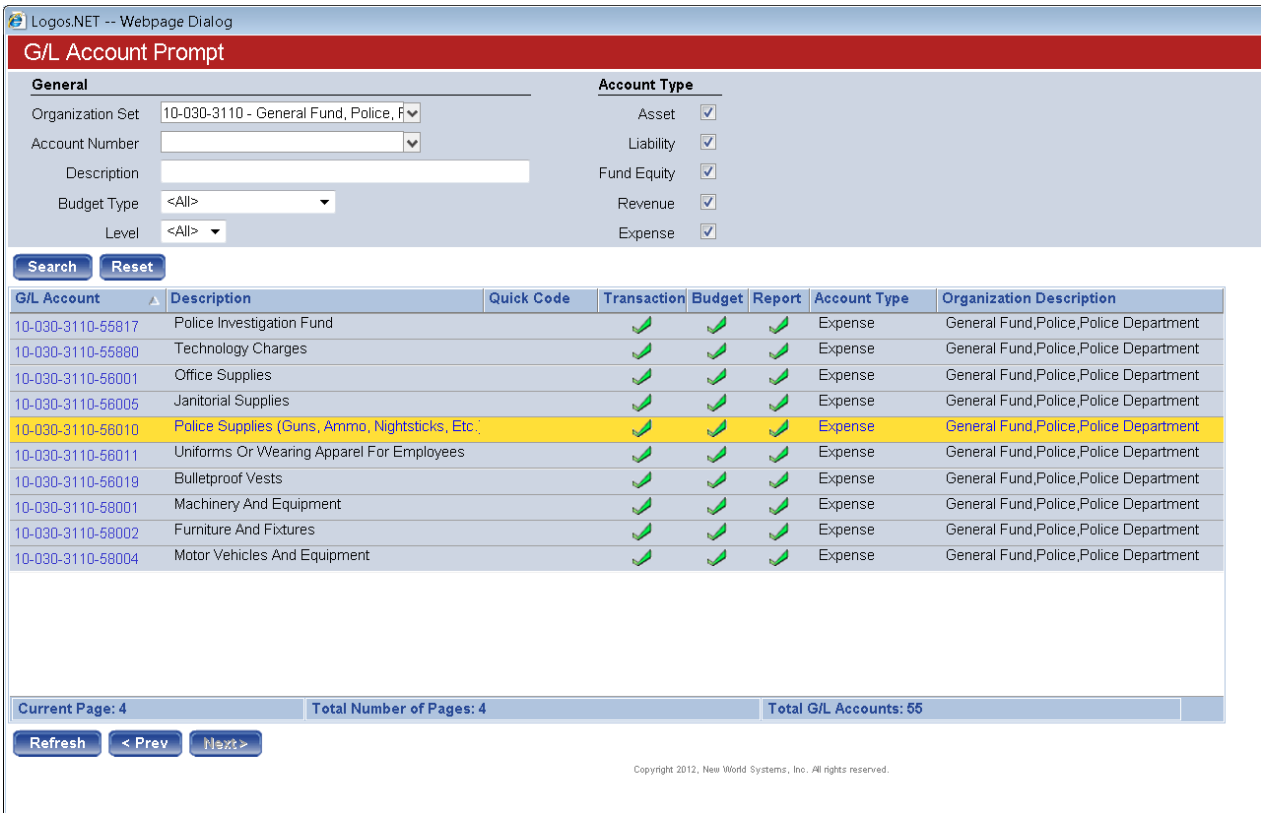
- **Detail Description Icon**: Allows you to add a detailed description up to 512 characters. You can choose to include these on the PO form when printing the purchase order.

Quantity: Enter quantity of item being purchased

Unit of Measure: Select unit of measure from the pre-populated list.

Price per Unit: Enter price per unit, system will calculate quantity X price per unit and will show the total cost for that item

G/L Account: Select the G/L account the item goes to. Can type in the G/L account # or use the eyeball icon to search for a specific G/L account. You will have access to G/L accounts within the departments you have access to.



If an item is charged to multiple G/L accounts, select the Multiple G/L Account Distribution icon to assign an item to multiple accounts. Hit the Telescope icon next to the G/L account field if you would like to see budget availability for the G/L account selected.

Project: This field is required for certain accounts (will show up in yellow if required). If required, projects available for that account number will appear in a drop down menu.

Vendor Part Number (Optional): Enter the vendor's item number for this item.

Employee: This field should be left blank.

Ship Via: This field should be left blank.

Ship To: Populates when department is selected. Can be changed by using the drop down to select a different ship to location.

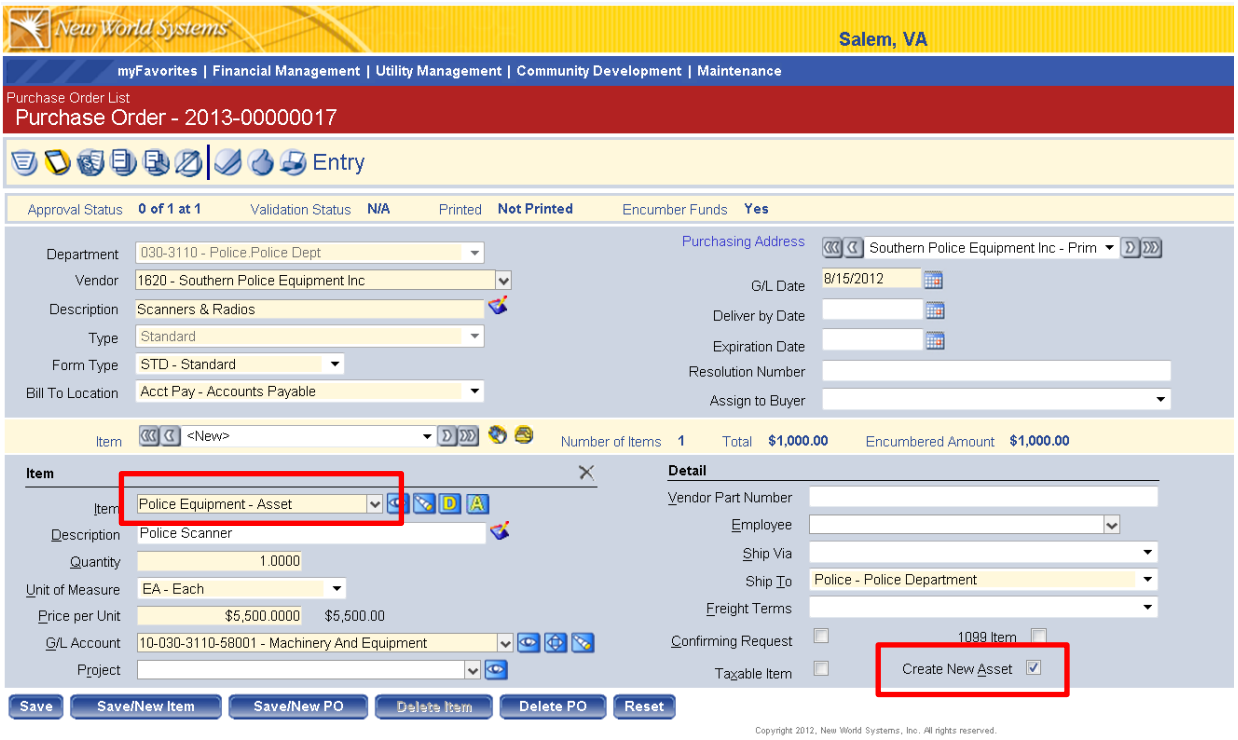
Freight Terms (Optional): Select freight terms from FOB Destination or FOB Origin if desired.

Confirming Request: Check this box only if you are entering a PO to send to a vendor to confirm an order. Checking this box will print "Confirming" on the Purchase Order.

1099 Item: This box will automatically be checked when a purchase order gets created for a 1099 vendor

Taxable Item: This box will not be used.

Create New Asset: Used to mark the item as a fixed asset and link it to the asset management module. This box is automatically checked when an "Item" is selected with "- Asset" in the description. If purchasing an item that would be considered a fixed asset you should select one of these items. To be considered a fixed asset, the item must cost more than $5,000 for machinery & equipment or more than $10,000 for building improvements and infrastructure. All land purchases are considered fixed assets. To get a full list of asset "items", you can select the eyeball icon next to the "Item" field and change the drop down next to Asset Use at the top to "Yes". Selecting an item from this list will ensure that the "Create New Asset" box is automatically checked and an asset is created in the asset module.



Save: Hit save when PO is complete. Once PO is saved you can add quotes, documents, and notes to the purchase order

Save/New Item: Saves PO and allows you to enter another item on the purchase order. The header information remains the same.

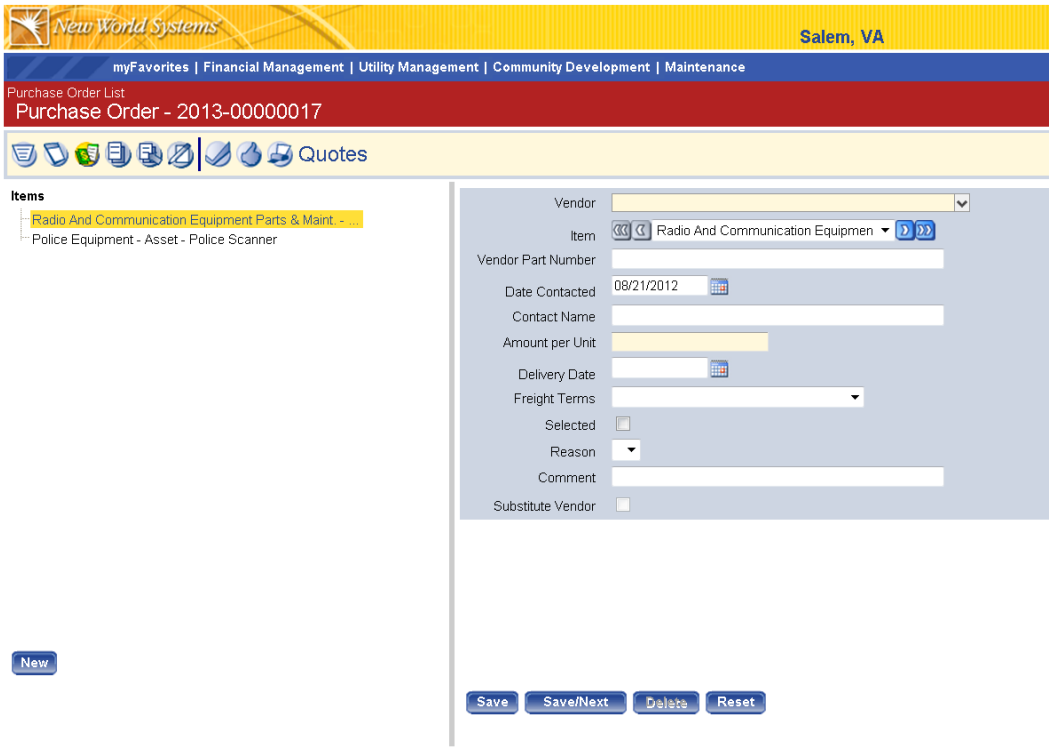
Save/New PO: Saves PO and allows you to enter a new purchase order

Delete Item: Select item you wish to delete and hit the delete item button

Delete PO: This will delete the entire purchase order selected

OVER BUDGET: If the amount of your purchase order causes one of your account classifications to go over budget, a pop-up box will appear when you click save that shows the amount you are over-budget and the purchase order will not validate. You will need to complete a budget amendment request before you can process the purchase order. See instructions for "Budget Amendment Requests".

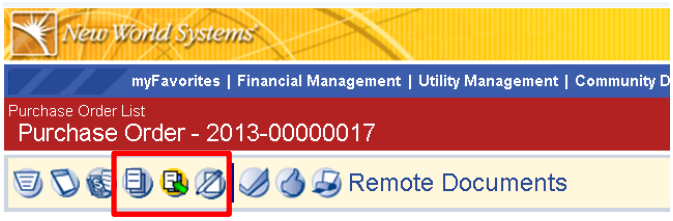
Purchase Order: Quotes



Once the Purchase Order has been saved you can add item quotes. Click on the quotes icon to enter item quotes. Three quotes should be entered for all purchase orders with a total over $2,000 unless the PO is classified as a "Contracts" PO type. If the purchase order contains multiple items, each quote must be entered separately for each item. Since quotes are often obtained from vendors not in our vendor list, three "Quote" vendors have been set up in the vendor list specifically for entering purchase order quotes. Select "Quote 1", "Quote 2", or "Quote 3" vendor for your three quotes. Then input the vendor name in the "Contact Name" field.

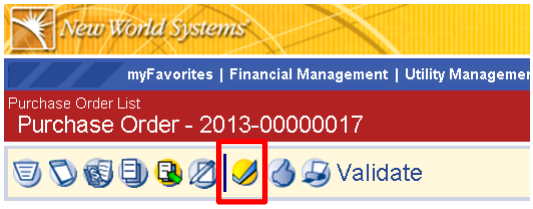
Purchase Order: Documents, Remote Documents, and Notes

Select the Documents or Remote Documents icon to assign documents to the purchase order. Click the Notes icon to create/send notes in regards to the purchase order. Notes can be sent to a single user or multiple users in the system. A link will appear on the user's homepage under myNotifications showing the note and a link to the purchase order the note was sent from.



Purchase Order: Validate

Validate performs a system check to validate budget availability. You cannot approve the purchase order until it is successfully validated.



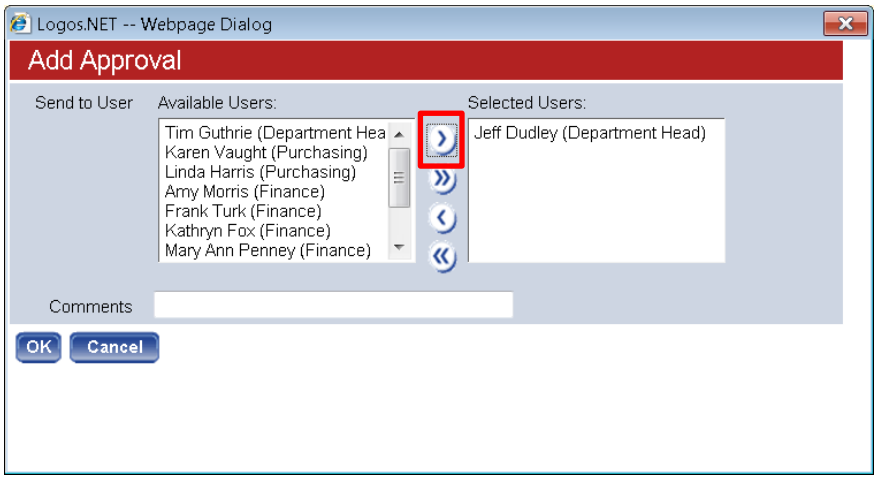
Purchase Order: Approvals

You must place your human approval on the purchase order. The following levels of approval must be made in most departments before the purchase order is ready to print:

Level 1: Initiator
Level 2: Department Head
Level 3: Purchasing, for POs over $2,000
Level 4: Finance, for POs over $2,000

You can see which levels of approval are required and have been completed by clicking on the Approvals button. A higher level can trump lower levels (i.e. they are not required). For example, a department head can enter a PO and approve it without the initiator level being needed.

Click the "Approve" button to submit your approval on the PO. The initiator or user entering the PO must "approve" the purchase order before it is sent to the next level. After approval, the initiator will select someone at the next level who will be notified that the PO is available for their approval. The available approvers will appear in a pop-up box in the order of their level.



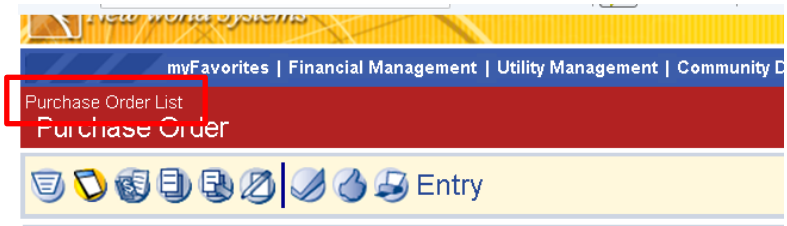
The initiator should select a user with "Department Head" next to their name. Then use the single arrow to move the selected user to the right and press "Ok". A task will show up on the Department Head's homepage under myTasks notifying the Department Head that a purchase order is available for approval.

For purchase orders less than $2,000, the Department Head is the final approval. Purchase orders greater than $2,000 must be approved by Purchasing and Finance. After the Department Head approves these purchase orders, the same box will appear to select an approver at the next level.

The Department Head should select Wendy Boggess as the "Purchasing" approver. Wendy will then select the approver in Finance based on the fund.

Once the PO has gone through all the required approvals it will show up as "Approved" on the Purchase Order List and will be available to print. Only POs that have been fully approved are available to print.

You can breadcrumb back to the list by clicking on the breadcrumb in the upper left.



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Purchase Order List Work Flow Processing

From the Purchase Order List screen there are several buttons at the top that work you through the processing of a purchase order. You may not see all of these buttons but will see the ones necessary for your role in the purchase order process.

Step 1: Validations – This is the same step that is performed on the individual purchase order screen as previously discussed. It can also be performed here for multiple purchase orders by selecting the PO's you wish to validate and clicking the submit button

Step 2: Print Edit and Error Listing – This step is optional; you can create a PO edit listing that shows all of the PO information

Click Print Edit Listing icon and select PO's you wish to include on the edit listing by checking the box next to each PO you'd like to include in the edit listing

Click the "Show Preferences" hyperlink in the upper right hand corner to add more detail to your PO edit listing. This will allow you to include full descriptions, GL accounts, and one time messages.

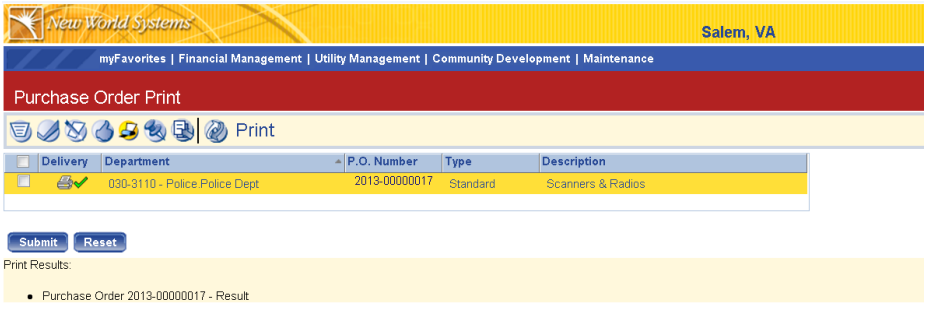
Step 3: Approve Purchase Orders – This is the same step that is performed on the individual purchase order screen as noted above. You should almost always approve the purchase orders within the individual purchase orders as described previously so that you can select the user at the next level to be notified to approve the purchase order; otherwise, all users at the next level will receive notification.

Step 4: Printing Purchase Orders – Once purchase orders have been approved by the necessary users, the purchase order will be available to print. Purchase orders under $2,000 that do not require Purchasing or Finance approval, will be available to print after the Department Head has approved.

Click the print icon and select the PO's you wish to print by checking the box next to each PO and hit the submit button. PO's can also be printed by going into the individual purchase order and selecting the last button on the right at the top. **The purchase order will not physically print, but will be sent to your "myReports". You can view the purchase order and actually print it by clicking on the "myReports" icon in the upper right corner of the screen.**

Click on "Show Preferences" in the upper right to select additional information to include on the PO form

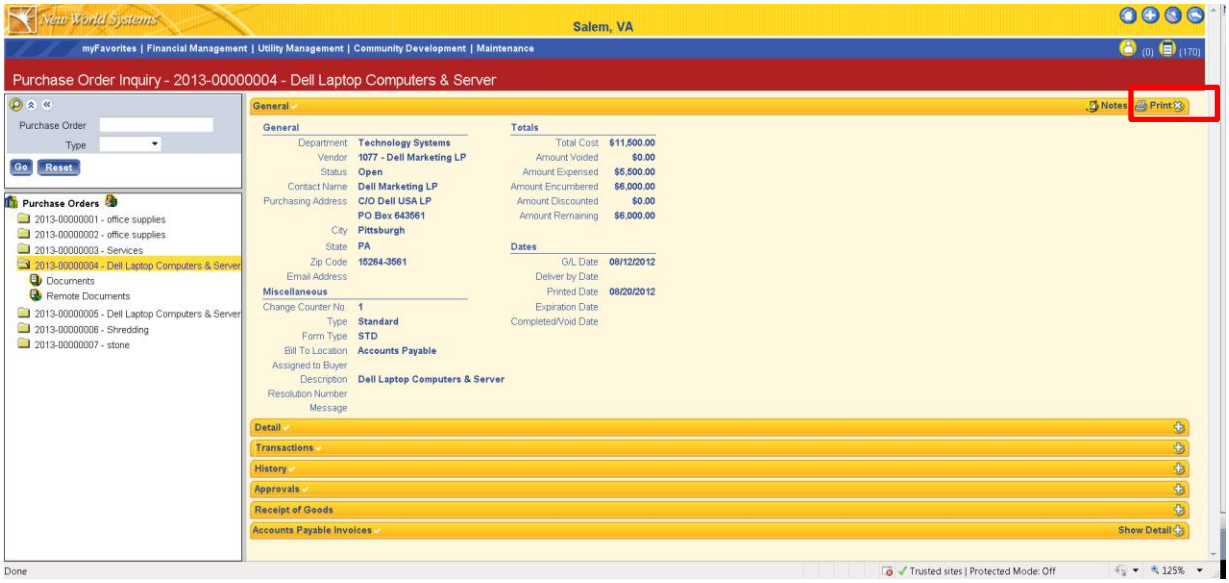
Once the purchase order is printed, a green check mark will appear by the printer icon.



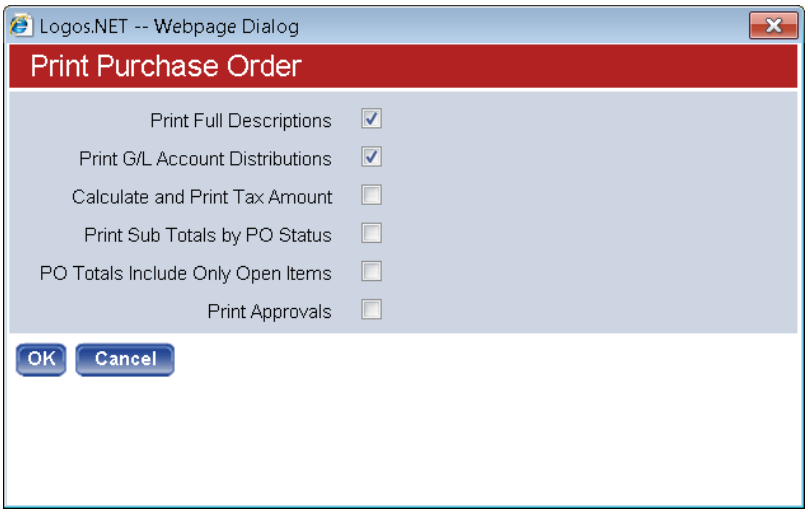
Only PO's that have been fully approved will be available to print.

Purchase orders over $2,000 will be printed by Finance since Finance is the final approval on these purchase orders. If a paper copy of the purchase order is needed by the department, you can

go to Financial Management → Inquiries → Purchase Orders. You must select "Go" at the top and then a list of the purchase orders for your department will appear. The newest purchase orders will show up at the bottom of the list. You can select "Print" in the upper right corner of the purchase order detail screen.



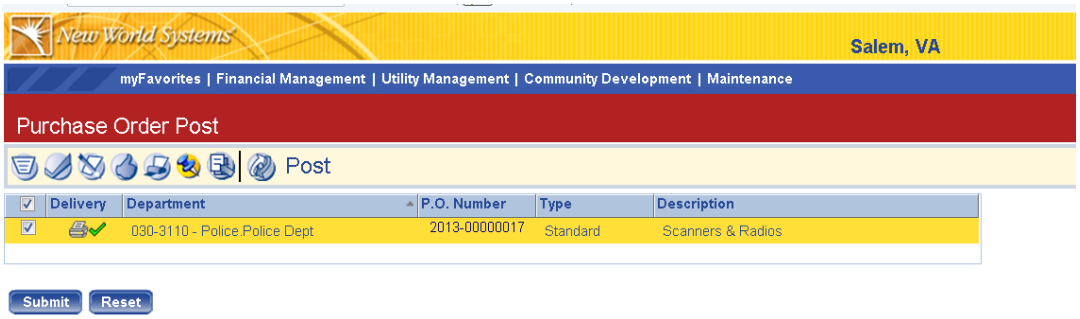
An options box will appear once you select "Print". Select the top two check boxes and select "Ok". You will not use the "Calculate and Print Tax Amount" check box. The other check boxes provide more options for printing once the purchase order is already in process and should not be checked if the purchase order is being sent to a vendor.



Step 5: Posting Purchase Orders – After purchase orders have been printed, Finance will need to post the purchase orders

PO's will only be available to post after they have been printed

Once posting has occurred, PO's will no longer show up in the Purchase Order List. They can be viewed in the "Change Purchase Order" List.



All Posted purchase orders are available in the "Changed Purchase Order" list and remain there until they are invoiced and completed.