

wvOASIS Procurement

Part II

Agency Purchasing Conference
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Objectives

1. Setting Up the Award for Successful Payments
2. Avoiding Commodity-based Payment Issues
3. Tables and Reports
4. Review Encumbrance Liquidation Methods
5. Corrective Documents (IN/CEC)

Objective 1

Setting Up the Award for Successful Payments (DEMO)

Avoid Quantity of One

- Avoid using a quantity of **one** on a purchase order unless you know for sure your agency will receive only one invoice for the commodity line.
- If you need to allow partial payments, then the quantity needs to be greater than one, or you may need to include additional commodity lines .
- Another alternative is to make the commodity line a **Service** instead of an **Item** type if the order is for a lump sum that could potentially be invoiced in partial amounts.

Commodity Line Types

- All commodity lines require a line type.
- Line types are inferred from the award document and cannot be modified on the IN and RC.
 - Item
 - Used when there is a set unit price and specific quantity ordered.
 - Avoid using with Lump Sum pricing.
 - Avoid using with a Quantity of 1 combined with a Lump Sum unit of measure.
 - Service
 - To be used, whether a tangible or service-related purchase, when the quantity is not relevant, or will not be invoiced based on quantity.
 - To be used when the amount to be paid is a lump sum but cannot guarantee payment will be made in one lump sum.

Commodity Line Types

- Item versus Service
 - Using an Item type commodity line, in conjunction with a Quantity of 1 and Lump Sum Unit of Measure should be avoided unless certain the payment will be made in a single lump sum amount.
 - Awards with this scenario, that are not paid in a single payment for the full amount, frequently result in issues when attempting to make multiple payments.
 - Typically results in corrective IN and CEC documents.
 - Consider corrective options to the award document before making payments under this scenario (i.e. change commodity line from Item to Service line type).
 - Quantities and unit prices should not be manipulated to arrive at a partial payment amount.
 - For example, do not decimalize the quantity to arrive at a specific unit price or invoiced amount for partial payments, typically where a quantity of 1 was used on an Item line type.
 - Quantities and unit prices should not be manipulated to arrive at a vendor's invoice total.

Line Reference Types

- The selection of a reference type at the commodity and accounting line levels determine the action taken against the referenced document line.
- The default value for the reference type field varies between different document types and on some document types it is even protected.
- Certain document types give three choices and others give all four choices.

Reference Type Choices

The Reference Type can have **one** of the following four options:

- 1. Memo** – When all that is required is a link between the referencing and referenced documents for reporting and research purposes, the memo type is used. It does not perform any common liquidation of the referenced document.
- 2. Partial** – When a referencing document should close only a part of the referenced document, then the partial type is used. This is the default reference type for most situations.
- 3. Final** – When a referencing document should close out the remainder of a referenced document, then the final type is used. Common logic determines this reference type in the situation where the referencing line amount is equal to or greater than the referenced.
- 4. Inverse** – When a referencing document should re-open a portion of the referenced document, the inverse reference type is used. This reference type is not available on all documents.

Partial vs Final Reference

- Line references are needed when the lines on a previous document in the chain need to be fully liquidated or only partially liquidated.
- When creating an award where a pre-encumbrance (RQS) exists, a Final reference should be used to liquidate any remaining pre-encumbrance balances.
 - For example, the award is being issued for less than the estimated requisition pre-encumbrance a Partial reference on the award will not liquidate the remaining uncommitted amount not award.
- For CDO and ADO documents, the **Reference Type** is always *Partial* on commodity lines and accounting lines since there is no referenced encumbrance document to be liquidated.

Governor's Office Leasing Initiative

- Leases are to be recorded on ACT documents within wvOASIS.
 - New leases
 - Existing lease agreements at time of renewal
- Lease number recorded on Header/General Information tab
- Lease agreement attached to Header (Title 155 rules/Section 6.5)
- Email copy of lease agreement to Contracts@WVSAO.gov
- Governor's Office approval via 3rd party approval workflow
 - Use Reporting 2 Field to insert workflow to Governor's Office.
 - Code must be "11" Lease Approval by Gov Ofc
 - User Third Party Approval instructions to assign the ACT to the Governor's Office for required approval.
- Procedures and copies of Real Estate Policy are located on myApps
 - [Enterprise Readiness](#) → [Outreach Sessions](#) → [Procurement](#) → [Facilities/Real Estate](#)

Master Agreements and Quantities mOASIS

- Master Agreements are open ended agreements requiring Delivery Orders to be received and paid against.
 - Master agreements are not encumbered.
 - Encumbrance occurs at the Delivery Order level.
- Master Agreements do not typically contain a quantity at the commodity line level.
 - To control the quantity that can be ordered, a quantity can be entered at the master agreement commodity line level.
 - A quantity entered at the master agreement level will prevent orders from being created once that quantity has been met.
 - Entering a quantity value such as “1” at the master agreement commodity line level will limit the quantity that can be ordered via Delivery Order to “1” in total, not per Delivery Order

Master Agreements and Quantities

- Various options for establishing limits on a Master Agreement
 - Use the Thresholds tab at the Header section to establish minimum, maximum or not to exceed order amounts for the master agreement in its entirety.
 - Thresholds entered at the Vendor section could limit orders against other awards.

Header @ 1

General Information | Contract Details | Reference | Modification | Requestor Issuer Buyer | **Thresholds** | Extended Description | Default Shipping/Billing | Reporting | Document Information

Minimum Order Amount:	<input type="text"/>	Minimum Order Value:	<input type="checkbox"/>
Maximum Order Amount:	<input type="text"/>	Maximum Order Value:	<input type="checkbox"/>
Not to Exceed Amount:	<input type="text"/>	Not to Exceed:	<input type="checkbox"/>

Master Agreements and Quantities

- Service Contract Amount can be used at the Commodity Line level to limit order for Service line types.

General Information Reference Information Additional Information Shipping & Billing Specifications Tolerance Information Worksites

CL Description: Asphalt

Commodity: 81102600 

Sampling services

Line Type: Service 

Quantity: 0.00000

Unit: 

Unit Price: \$0.00

Catalog:

Discount Percentage: 0.00%

List Unit Price: \$0.00

Discounted Unit Price: \$0.00

Discount Effective From: 

Discount Effective To: 

Leased Item:

Maintenance:

Lock Catalog List Price:

Lock Order Specs:

Fixed Asset:

Allow Promotional Pricing:

Inactive Line:

Vendor Preference Level: 99

Comm Line Discontinued:

Shipping Charge:

Commodity Specs:



Extended Description: TEST ADO EXCEEDING AMA SERVICE CONTRACT AMOUNT ERROR.

Service Contract Amount: \$5,000.00

Master Agreements and Quantities

- Quantity field can be used for Item line types at the Commodity Line level if there is a maximum amount allowed or to be controlled by commodity line.

General Information	Reference Information	Additional Information	Shipping & Billing	Specif
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CL Description:	<input type="text" value="Asphalt"/>
Commodity:	<input type="text" value="30121601"/> 
	Asphalt
Line Type:	<input type="text" value="Item"/> ▼
Quantity:	<input type="text" value="500000.00000"/>
Unit:	<input type="text" value="TON"/> 

SHOP Reminders

- Familiarize yourself with the master agreements
 - Is the master agreement itemized with a commodity line for each item available for purchase?
 - Typically have the unit price established
 - Delivery order unit price must match the master agreement
 - Unit Price can be adjusted on the IN document if less than awarded price. (Confirm a change order is not required first)
 - Or, does the master agreement contain one generic commodity line, such as the current statewide master agreement for office supplies?
 - A pricing attachment is typically included on the header section of the master agreement.
 - Typically for a unit price of \$0, allowing the user to enter the individual unit price for each commodity line added to the delivery order.
 - Commodity lines typically have to be copied or new lines inserted manually to itemize and include items with varying unit prices on the delivery order.
 - Can't typically search for individual items within the master agreement on SHOP when a generic commodity line is used. Details contained within the pricing attachments are not searchable on SHOP.

SHOP Reminders


- Is the Agreement expired?
 - When searching for an agreement that has expired on SHOP, select **Yes** on the “*Include Expired Agreements*” field.
 - A warning may appear on the SHOP Check Out page when proceeding to check out items against an expired agreement and/or commodity line.
 - A Level 1 overridable error may be presented on the Delivery Order when creating the order against an expired agreement.

Objective 2

Avoiding Commodity-Based Payment Issues

Condition Codes

- Condition codes are used on Invoice (IN) and Receiver (RC) documents to record the reason for payments not made in full, or when amounts paid differ from the award.
- Condition codes, when used properly, can reduce the volume of issues experienced when reducing or liquidating award documents via modification versions (change order).
- Condition codes, used improperly, create the unnecessary need for corrective IN and CEC documents.

Condition: 

Partial Shipment

Reason:

Select	Duplicate Shipment	Overage
Select	Over Shipment	Overage
Select	Damaged Items	Underage
Select	Partial Shipment	Underage
Select	Invoiced at Lower Price	Underage
Select	Invoiced at Higher Price	Overage
Select	Unsatisfactory Service	Underage
Select	Late Delivery	N/A
Select	Unable to Deliver	Underage
Select	Partial Service Delivery	Underage

Condition Codes

MOST APPLICABLE CODES FOR RC AND IN DOCUMENTS

- **Partial Shipment or Partial Service Delivery (Underage)**
 - Use only if receiving a partial amount and/or invoiced by the vendor for a partial amount of the commodities and additional payments are anticipated to be due the vendor.
 - Does not liquidate the difference between invoiced and awarded amount.
 - Use caution if changing the commodity lines from Partial to Final.
 - This may result in premature closing of the commodity line, preventing additional payments.
 - Corrective IN and CEC documents will be required to re-open amounts closed prematurely.
 - A change order may be required if the full amount awarded will not be invoiced and paid to the vendor.
 - For use when the quantity or SC amount on the vendor's invoice are partial of the awarded amount.
 - Do NOT use to process invoices with a Unit Price that differs from the award document.
- **Invoiced at Lower Price (Underage)**
 - Use when vendor invoices at a lesser Unit Price than on the award document
 - Automatically liquidates the difference between the invoiced price and awarded price.
 - A change order may be required instead if the full amount awarded will not be invoiced and paid to the vendor, or a lower unit price is being paid.

Condition Codes

- Late Delivery
 - Can be used on RC documents to record late delivery of commodities to be paid.

AVOID USING THESE CODES:

- Other
 - The “Other” condition code should be avoided when other codes exist that are more applicable.
 - May cause issues with award documents due to actions allowed using “Other”.
- Invoiced at Higher Price (Overage)
 - A change order may be required for invoiced prices that exceed the award document.
 - Higher invoiced prices may require a new invoice from the vendor with correct pricing that matches the award document.
 - Consult with your Buyer before paying invoices at a higher amount.

Condition Codes

USE THESE CODES ON RC DOCUMENTS ONLY.

- Must be used in conjunction with the Rejected Quantity field when an invoice will not be processed.
 - Unsatisfactory Service (Underage)
 - Unable to Deliver (Underage)
 - Duplicate Shipment (Overage)
 - Over Shipment (Overage)
 - Damaged Items (Underage)

Commodity Lines and References

IN and RC Commodity Line References (Partial vs Final)

- System defaults to Partial
- Automatically changes to Final when full quantity or SC Amount is entered.
- Final closes out the commodity line for additional receiving and/or invoicing.
- Do NOT manually change to Final.
 - If the full amount is not being paid, then a change order may be required to formally reduce the amount.
 - If a change order is not required, Final can be used to automatically liquidate the remaining balance on the award document. A Condition Code will also be required when closing a line for a lesser amount than awarded under this scenario.

Shipment Indicator:

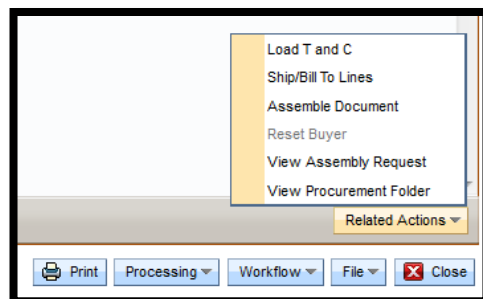
Invoice Indicator:

Objective 3

Tables and Reports

Procurement Folder (PRCUID)

- The **Procurement Folder** provides a central location for buyers and procurement officers to manage a purchase through the life cycle
- Use page code **PRCUID** in the Jump-To Box, or
- Document Header → Related Actions → View Procurement Folder



A screenshot of a software interface showing a table of Available States and Documents. A red arrow points from the 'View Procurement Folder' menu item in the previous image to this table.

Procurement State	State Complete	State Amount	Issuing Office	Procurement Created
✓ All States				
Requisition	Yes	\$20,000.00	ENTERPRISE RESOURCE PLANNING BOARD	07/13/2021
Solicitation	Yes			
Solicitation Response	No			
Evaluation	No			
Award	No	\$0.00		
Post Award	No			

First Prev Next Last

Milestones

Procurement State	Description	Required	Estimated Completion	Completed	Complete
Save	Undo	First	Prev	Next	Last

Documents

Procurement State	Document	Function	Phase	Vendor	Description	Created
✓ Requisition	CRQS.0947.ERP2200000008.1	New	Final	000000129339	livestock demo	07/13/2021
Solicitation	CRFQ.0947.ERP2200000006.1	New	Final	000000129339	livestock demo	07/13/2021
Solicitation Response	CRFQ.0947.ERP2200000006.1	New	Final	000000129339	livestock demo	07/13/2021

Matching (MATA) Table

- To view the documents and matching detail, enter MATA in the Jump To field
- Enter the Procurement Document Code and ID
- The Payment Request document can also be generated from the MATA table

Commodity Codes

- Commodity codes are a tool used for classifying information and managing procurement data.
- Commodity codes enable:
 - Matching requirements
 - Reporting and spend analysis
 - Bid opportunity alerts and notifications
 - Inventory control, materials management
 - Catalog management
 - Recording of potential Fixed Assets

Matching Process

- Matching requirements are determined by the commodity code
 - Two-way match
 - Order
 - Invoice
 - Three-way match
 - Order
 - Invoice
 - Receiver

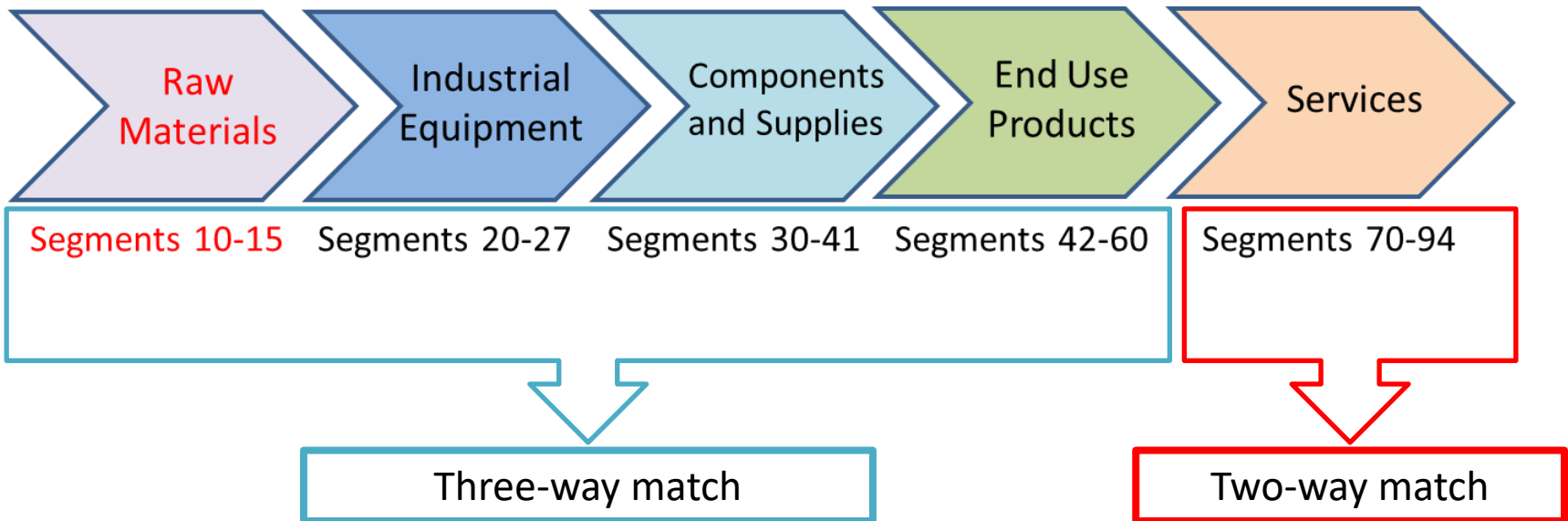
Matching & Commodity Codes

- For three-way match The system will automatically require a Receiver document based on the commodity code used on the procurement document before payment can be requested
- As a general rule, the segment can be used to identify when a Receiver document will be required

Matching & Commodity Codes

- UNSPSC codes are eight digits in length
- The codes have a four-level hierarchy

Segment	Family	Class	Commodity
15	10	16	13



Business Intelligence

- Procurement Report Examples
 - Encumbrances and Pre-encumbrances
 - WV-FIN-PROC-028: Encumbrance balances by award accounting line
 - WV-FIN-PROC-033: Out/Future Fiscal Year (PR07) Accounting lines
 - WV-FIN-PROC-035: Pre-encumbrance documents with Event Type PR02
 - WV-FIN-PROC-045: Requisition Open Amount and Corresponding Award Actual Amount
 - Procurement Locations
 - WV-FIN-PROC-056: Shipping, billing, and bid receiving locations
 - Master Agreement usage reports
 - WV-FIN-PROC-036
 - WV-FIN-PROC-057
 - WV-FIN-PROC-057B
 - Procurement Activity
 - WV-FIN-PROC-030: Bid openings (closings)
 - WV-FIN-PROC-041; Notice of Award
 - WV-FIN-PROC-042: Contract Begin and Expiration dates

PROC-028: Encumbrance Balances

- For various reasons, funds may remain encumbered on an award after the goods or services have been received.
 - When requested items or scope of work is overestimated.
 - When the wrong line reference type is used (Partial/Final).
 - When vendors submit final invoices for less than the encumbered amount.
 - When payment is made by GAX or PCard without referencing the award document.

Procurement Award Accounting Detail

- The WV-FIN-PROC-028 Procurement Award Accounting Detail report can help you identify open encumbrance balances that need liquidated.
- The following document codes are included in this report: APO, ACT, ADO, CPO, CCT, CDO, GAE, and GRTAWD.

Procurement Award Accounting Detail

Double click ***WV-FIN-PROC-028 Procurement Award Accounting Detail***.

The screenshot shows the SAP Documents interface. On the left, a 'My Documents' sidebar displays a tree of folders under 'wvOASIS'. The 'Procurement' folder is highlighted with a red box. The main area shows a list of documents with columns for 'Title' and 'Type'. The document 'WV-FIN-PROC-028 Procurement Award Accounting Detail' is highlighted with a red box in the list.

Title ^	Type
Legislative Auditor	Folder
Procurement Card	Folder
Vendor Registration Fees	Folder
WV-FIN-PROC-025 - Requisition Status Report	Web Intelligence
WV-FIN-PROC-026 - Contract Amendments	Web Intelligence
WV-FIN-PROC-027 SWAM Report	Web Intelligence
WV-FIN-PROC-028 Procurement Award Accounting Detail	Web Intelligence
WV-FIN-PROC-030-Bid Openings	Web Intelligence
WV-FIN-PROC-032 Award Document Chain Report	Web Intelligence
WV-FIN-PROC-033 Commodity Encumbrance Listing	Web Intelligence
WV-FIN-PROC-033 Non-Accounting Encumbrance Listing	Web Intelligence
WV-FIN-PROC-034 Non-Commodity Pre-Encumbrance	Web Intelligence
WV-FIN-PROC-035 Commodity Pre-Encumbrance	Web Intelligence
WV-FIN-PROC-036 Master Agreement Usage Report	Web Intelligence
WV-FIN-PROC-038 Fiscal Year PO Summary	Web Intelligence
WV-FIN-PROC-038A Agency Fiscal Year PO Summary	Web Intelligence
WV-FIN-PROC-039 SWAM Fiscal Year Spending Report	Web Intelligence
WV-FIN-PROC-040 Solicitation Report	Web Intelligence
WV-FIN-PROC-041 Notice of Award Report	Web Intelligence
WV-FIN-PROC-042 Expiring Contracts	Web Intelligence
WV-FIN-PROC-044 CAFR Subrecipient Award Chain Report	Web Intelligence
WV-FIN-PROC-045 Procurement Open Encumbrances	Web Intelligence
WV-FIN-PROC-046 Vendor Registration Exemption Report	Web Intelligence
WV-FIN-PROC-055 Vehicle Agreement Report	Web Intelligence

Procurement Award Accounting Detail

- Scroll to the right to view the open amounts associated with the encumbrance document.

	Original	Adjusted	Closed	Open
Eve Ty				
	2/11/20			
PR05	0.00	598.50	0.00	598.50
	<hr/>	<hr/>	<hr/>	<hr/>
	0.00	598.50	0.00	598.50

Objective 4

Review Encumbrance Liquidation Methods

Encumbrance Liquidation

- Cancellation versus Modification/Change Order
 - Cancellation versions can be created by clicking ***Discard*** on the Final version of a document.
 - Cancellation versions can only be created when the document has no activity, such as Invoices (IN), Payment Requests (PRC, PRM, PRCC) or Receiver (RC) documents posted.
 - Procurement documents with activity posted may require a modification version change order be processed to liquidate and reduce remaining balances.
 - Please refer to your department's purchasing guidelines regarding remaining balances and proper procedures for cancelling remaining balances.

Encumbrance Liquidation

- Do NOT cancel Purchase Orders and Delivery Orders to free up budget (common during the end of the fiscal year).
 - This can result in confusion to your vendors.
 - This has an adverse effect on reporting.
 - Instead, agencies should use the appropriate procedure when a remaining encumbrance needs to be liquidated.

Encumbrance Liquidation

- If the scope of work was over-estimated, process a Change Order to reduce the open amount to match the Closed amount.
- If the item(s) will not be delivered until the new fiscal, an Accounting Adjustment should be processed to move the encumbrance to an out (future) fiscal year.

Accounting Adjustment Reminders

- To modify an accounting line for an award that included detailed accounting information, such as a Program reference inferred from the Requisition, a modification at the requisition level may be necessary:
 - Reduce/liquidate the existing accounting line on the award as needed
 - Create a new accounting line on the award that references the new accounting line from the requisition. Or,
- When creating requisitions, include a generic accounting line for \$0 that does NOT include detailed accounting information.
 - Add a new accounting line to the award that references the generic accounting line from the Requisition
 - Allows Detailed Accounting information that was not included on the Requisition to be added to the award
 - Prevents the need to modify a Requisition for the sole purpose of modifying accounting information at the award level

Objective 5

Corrective Documents (IN/CEC)

Applying Payments to An Award

- If payments were made by GAX or P-Card without reference to the Purchase Order, use the liquidation instructions provided on [myApps / Enterprise Readiness / Outreach Sessions / Financial / Year End Closeout](#)

myApps > myOASIS

myApps Enterprise Readiness

Outreach Sessions

Outreach Sessions

Please choose a Section and Sub-Section from the dropdowns below.

Financial Year End Closeout

Description Event Name Event Date

Encumbrance Liquidation Instruction Guide 05/13/2015

Liquidating a Dollar Balance on a Closed Item Type Line

- Scenario: Quantity is liquidated, but encumbrance balance remains.
 - Award commodity line is an Item type (Quantity-based).
 - Vendor invoiced for full quantity, but at reduced Unit Price.
 - The IN and Payment Request (PRC, PRM) will automatically default to Final reference when the quantity is paid in full, even if a dollar amount remains on Item type commodity lines.
 - Quantity is liquidated, and the commodity line is closed.
 - However, a dollar value remains.
 - A dollar amount remains due to:
 - Change order was not processed to reduce the Unit Price on the award document prior to payment.
 - Or, the correct Condition Code for vendor invoicing at a lower price (11) was not used to record the lesser unit price on the IN to automatically liquidate the difference between the award unit price and the invoiced unit price.
- Correction Method:
 - \$0 Final reference IN and CEC will close out the remaining dollar amount where a quantity has already been liquidated.
 - A modification version change order may be required afterwards to document the reduction on the award document.

Re-Open a Line Closed Prematurely

- Scenario: Commodity line closed prematurely before all payments were processed.
 - Award commodity line can be either an Item or Service line type.
 - The award has been only partially paid out, but a Final reference payment request liquidated the remaining open encumbrance on the award.
 - The reference on the IN and/or Payment Request (PRC, PRM) is manually changed to Final in error when it is not truly the final payment.
 - System defaults to Partial, and only changes to Final if the full quantity or SC Amount is submitted for payment.
 - If the reference is changed to Final, it will close the commodity line even if the quantity or SC Amount is not being paid in full.
 - Multiple payment requests are submitted on or near the same time and are processed out of sequence. For example, a Final reference payment request is submitted to final before the Partial reference payment request.
- Correction Method:
 - \$0 Inverse reference IN and CEC will re-open a line closed prematurely when the Partial reference is changed to Final reference.

Questions

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Website: wvOASIS.gov