UNIVERSITY OF TORONTO

Financial Advisory Services & Training
Financial Services Department
www.finance.utoronto.ca

Work Instruction

Purchase Order Create

When to Use

For the purchase of goods and services that require a purchase order in accordance with the policies and procedures contained in the Guide to Financial Management's **Purchasing Policy**.

Steps

1. Obtain the required number of quotations from approved suppliers for purchases of $ 10,000.00 or greater, before taxes. It is preferable that written quotations be solicited. Click **here** for quotation requirements.

2. Determine the FIS accounts to be posted to (Vendor account, G/L, Funds Center and Cost Center or Internal Order), applicable tax code, delivery date and quantity to order.

3. Obtain the appropriate authorization to create the purchase order.

4. Create purchase order in FIS. This reference guide assumes Personal settings have been set. Click **here** for instructions on setting your personal settings.

5. Record FIS purchase order number on your supporting documentation.

6. Fax FIS purchase order to appropriate vendor and file with original documentation.

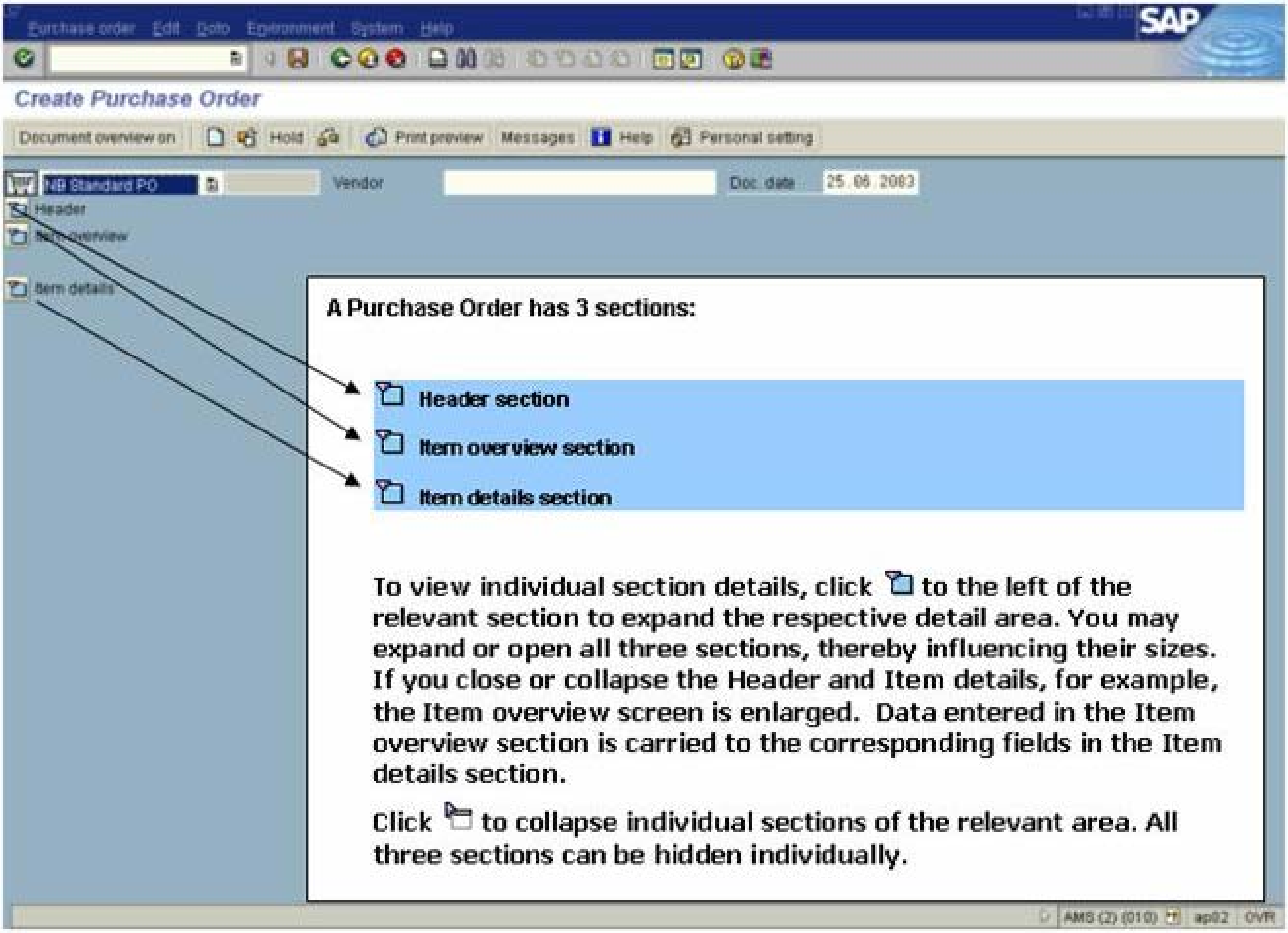
Detailed Procedures

Access the transaction using:

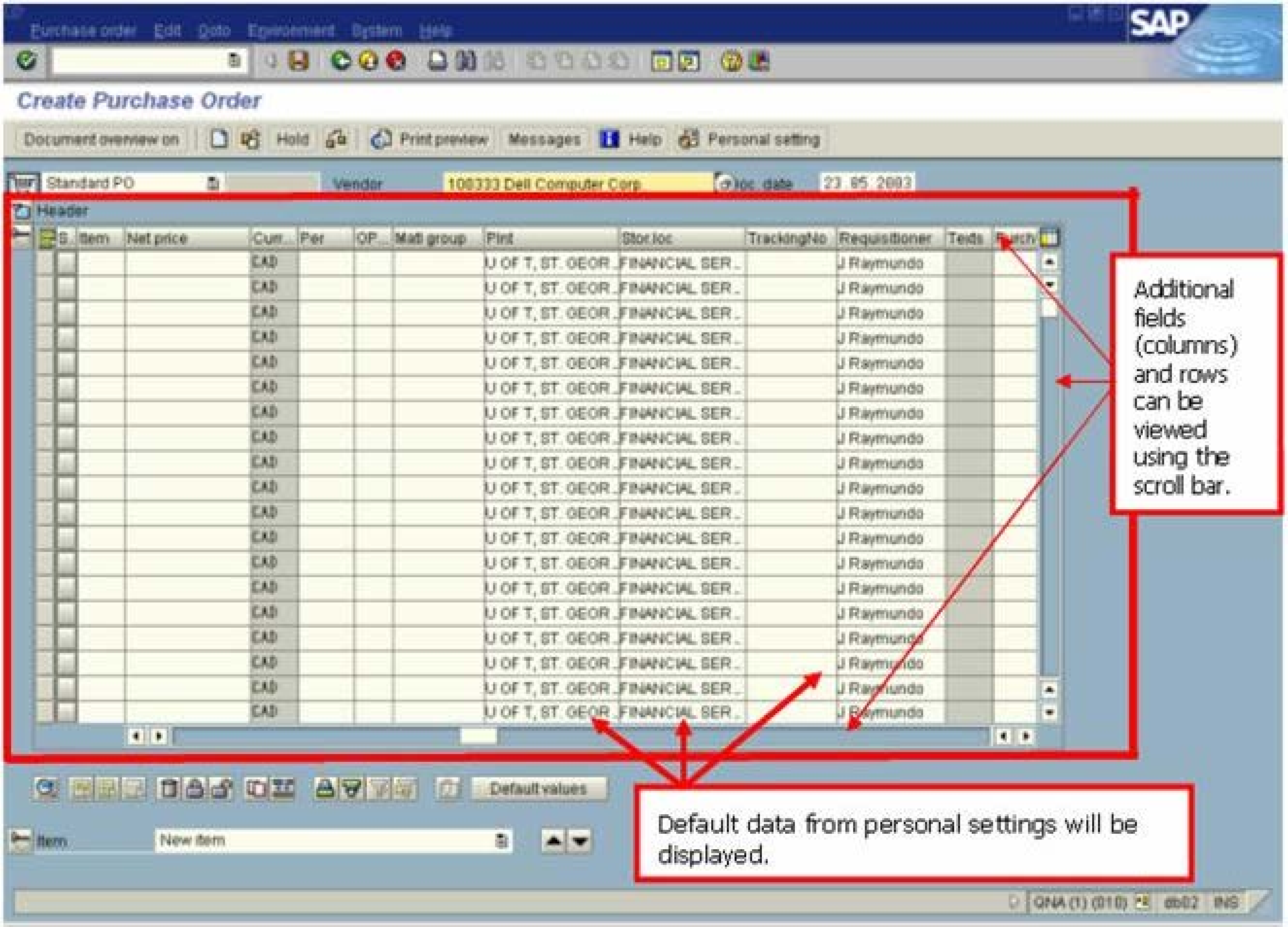
Menu	*Logistics >> Materials management >> Purchasing >> Purchase Order >> Create Purchase Order*
Transaction code	ME21N

This reference guide assumes Personal settings have been set. Click **here** for instructions on setting your personal settings.

Screen: Create Purchase Order



Field Name	Required (R) / Optional (O)	Description of Field Content
Order Type	R	Defaults to NB:Standard PO. Use the drop-down list to select Standard PO if ncessary.
Vendor	R	Enter the vendor account number. **(OTA Vendor Accounts should NOT be used.)** If vendor account number is not known, use the matchcode button to perform a search. Only Vendors on this list of approved suppliers should be used. Procurement Services maintains the Vendor Account list. To set up a new Vendor Account, use the appropriate Create **New Commercial Trade** or **New Individual** Vendor Request Form.
Doc. Date	R	Defaults to current date. Change if necessary.
Choose checkmark or press enter on the keyboard to validate the vendor data and adopt or change suggested default values in the Header and Item overview areas from the user"s Personal setting.		
Item Overview (Click if section is not expanded)		



Field Name	Required (R) / Optional (O)	Description of Field Content
A (Account Assignment Category)	R	Defaults to **K** (Cost center) or **F** (Internal order) based on user's Personal setting. This can be changed if applicable by typing either **K** or **F** or using the matchcodebutton for possible entries.
Short text	R	Enter a short description of materials, goods or services including a catalogue number if applicable.
PO Quantity	R	Enter quantity in numeric format.
OUn (Unit of measure)	R	Enter unit of measure to determine the size of material or services requested (i.e. bx=box, ea=each). Use matchcodebutton for possible entries.
Deliv. date	R	Enter desired delivery date or a confirmed delivery date by the vendor.
Net Price	R	Enter net price of materials, goods or services before taxes.
		Defaults from vendor master record currency code

Curr.. (Currency)	R	field. Use the matchcode button to see a list of currency codes for foreign vendors.
Matl group	R	Enter the material group. If unknown use matchcode button for possible entries. If ordering radioactive materials, material group RADIATION must be used.
Tracking number	O	If applicable, enter a requirement tracking number of your choosing.
Requisitioner	O	Enter name of requisitioner.
Click on checkmark button or press enter on the keyboard. The **Item details : Invoice** tab is displayed. Complete the following fields.		
Invoice tab		
Tax code	R	Enter the appropriate tax code. Use matchcode button for possible entries.
Click on checkmark button or press enter on the keyboard. The **Item details : Account Assignment** tab is displayed. Complete the following fields.		
Account Assignment tab		
Unloading point	R	Enter the room and/or floor number where the goods or services will be delivered.
Recipient	R	Enter the name of the person receiving the goods or services.
G/L account no.	R	Enter the G/L account number identifying the type of expense. If unknown, use the matchcode button to perform a search.
Business area	R	All areas except the ancillary operations enter business area 1000. Business area will default based on the cost center entered.
Cost Center	R	Enter the cost center number that the expense is to be posted to. Must enter either a cost center OR internal order (not both). If Account Assignment K has been used, enter a cost center.
Internal order	R	Enter the internal order number that the expense is to be posted to. Must enter either a cost center OR internal order (not both). If Account Assignment F has been used, enter an internal order.
Commitment Item	R	Commitment item defaults from the G/L account entered and should not normally be changed. The commitment item must be changed to post expenses against budgets in specific commitment items (i.e. EXP-UTFA, SPECIALS). When a commitment item is changed a warning message will appear. Press enter on the keyboard to acknowledge the warning

		message and continue.
Funds Center	R	Enter the funds center number that the expense is to be posted to. The funds center identifies the budget that the expense will be paid from. (Note: When funds center and fund are both entered the expense is posted against the budget in the funds fund/fund combination).
Fund	O	Enter a fund in combination with a funds center to post the expense against the budget in the funds center/fund combination. A fund cannot be entered without a funds center.
Press enter or to validate all data. If no warning messages ( ) appear, the PO can be posted.		

The following processing options are available:

Action	Icon	Description
Check		Check to ensure that all required fields have been completed and additional data necessary have been entered to the header note or item text fields as necessary.
Post		Posts the document and provides a document number. Record document number on original invoice and file.

End of procedure.

How do I . . .?:

1	How do I correct the exchange rate when creating a purchase order? Section: **Header** Tab: **Delivery/Invoice** Field: **Exchange rate** Change Exchange rate field. This is to be done ONLY if your department has the authorization to determine the exchange rate (i.e. US purchases of books by the Library).
2	How do I apply a discount or surcharge for entire purchase order? Section: **Header** Tab: **Conditions** Field: **CnTy** (Condition Type) Select the type of discount/surcharge under condition type (CnTy) and then enter the amount of surcharge or discount under the Amount column. Click on or press enter to validate the discount/surcharge and display the new condition value.
3	How do I apply a discount for purchase order a line item? Section: **Item details** Tab: **Conditions** Field: **CnTy** (Condition Type) Select the type of discount/surcharge under condition type (CnTy) and then enter the amount of surcharge or discount under the Amount column. Click on or press enter to validate the discount/surcharge and display the new condition value.

4	How do I enter text that applies to the entire purchase order? Section: **Header** Tab: **Texts** Choose the type of text you wish to enter. In the window to the right of the text type, enter the applicable text. The following texts are an open format and can be used to clarify specifics for the entire purchase order. Fields: **Header text** will appear on the purchase order below the early payment discount line and above the line items. **Header note** will not appear anywhere on the purchase order but will be retained in the purchase order for future reference. **Pricing types** will appear on the purchase order after all line items. **Deadlines** will appear on the purchase order after all line items. **Terms of delivery** will appear on the purchase order after all line items. **Shipping instructions** will appear on the purchase order after all line items. **Terms of payment** will appear on the purchase order after all line items. **Warranties** will appear on the purchase order after all line items. **Penalty for breach of contract** will appear on the purchase order after all line items. **Guaranties** will appear on the purchase order after all line items. **Contract riders (clauses)** will appear on the purchase order after all line items. **Asset** will appear on the purchase order after all line items. **Other contractual stipulations** will appear on the purchase order after all line items. **Delivery** will appear on the purchase order after all line items. **Vendor memo (general)** will not appear anywhere on the purchase order but will be retained in the purchase order for future reference. **Vendor memo (special)** will not appear anywhere on the purchase order but will be retained in the purchase order for future reference.
5	How do I enter text that applies only to a purchase order line item? Section: **Item details** Tab: **Texts** Choose the type of text you wish to enter. In the window to the right of the text type, enter the applicable text. Make certain that the appropriate line item is displayed because this text applies only to the line item selected. The following texts are an open format and can be used to clarify specifics for the entire purchase order. Fields: **Item text** will appear below the individual line item to which it applies. **Info record PO text** will appear below the individual line item to which it applies.

	Material PO text will appear below the individual line item to which it applies. **Delivery address (Override)** will appear below the individual line item to which it applies. **Item note** will not appear anywhere on the purchase order but will be retained in the purchase order for future reference.
6	How do I change the overall ship to address of a purchase order (top right corner)? Section: **Item details** Tab: **Text** Field: **Delivery address (Override)** Enter the new ship-to address. Copy and paste the identical address information into each line item. **Note: Unloading Point** and **Recipient** fields on the **Account Assignment** tab must also be identical for each item.
7	How do I re-direct an individual purchase order line item to a different address? Section: **Item details** Tab: **Text** Field: **Delivery address (Override)** Enter the appropriate address for that particular line item. Make certain you have the correct line item selected. The address will appear below the individual line item to which it applies.
8	Where do I enter an Invoicing party vendor code for a " PO only" vendor account? Section **Header** Tab: **Partners** Fields: **F...** (Function): Enter PI (Invoice presented by) **Number** (Invoice presented by): Enter the invoicing party vendor number This is used when the vendor is designated as PO ONLY and A/P ONLY. The purchase order is created using the PO ONLY vendor number and the invoice is processed using the A/P ONLY vendor number. Enter the A/P ONLY vendor number in the Number field. If the vendor is designated as A/P AND PO, there is no need to enter a partner.
9	Where do I enter a quotation number and date? Section: **Header** Tab: **Additional data** Fields: **Quotation** : Enter the reference number of the quote from the vendor for the purchase order. (This field is 10 characters in length.) **Quotation date** : Enter the date of the quotation from the vendor for the purchase order.
10	Where can I change my purchasing group? Section: **Header** Tab: **Org.data** Field: **Purch.group** Enter the appropriate purchasing group in the Purch.group field. If the purchasing group is unknown, use the matchcodebutton to perform a search.

11	How do I create Repeat Account assignment? Section: **Item Details** Tab: **Account assignment** This must be done immediately upon completion of the line item from which the account assignments are to be repeated. Click on . All subsequent line items will have the same account assignment designated to them until is clicked on again to turn Repeat account assignment off. This feature cannot be turned on after you have progressed to the next line item. For details, see **Repeat Account Assignments and Multiple Account Assignments**.
12	How do I create Multiple Account assignments? Section: **Item Details** Tab: **Account assignment** This must be done immediately upon completion of the line item from which the account assignments are to be split. Click on . To have the split account assignment repeated on subsequent line items, click on . This feature cannot be turned on after you have progressed to the next line item. All subsequent line items will have the same multiple account assignments designated to them until is clicked on again to turn Repeat account assignment off. For details, see **Repeat Account Assignments and Multiple Account Assignments**.
13	Where can I enter text for vendor instructions regarding my order? Section: **Header** Tab: **Texts** Field: **Header text** Enter the appropriate instructions for the vendor. This text will appear will appear above the line items on the purchase order.
14	Where can I enter vendor material number? Section: **Item details** Tab: **Material data** Field: **Vendor mat.no .** Enter the vendor material number in field, which will appear on the purchase order below the selected line item. Make certain the appropriate line item is selected.
15	How do I delete a purchase order item or the entire purchase order? Section: **Item overview .** Select the line item(s) you wish to delete by clicking on the box to the far left of the line item. This will highlight the entire line item. Then click on located at the bottom of the Item Overview section to delete the line item(s). The deleted line items will be grayed out and a garbage can symbol will appear in the box to the left of the line item(s). If you wish to delete the entire purchase order, select all line items prior to clicking on the .
16	How do I allow for over or under delivery on a purchase order? Section: **Item details** Tab: **Delivery** Fields: **Overdeliv.tol.** : Enter the tolerance in percentage format for over

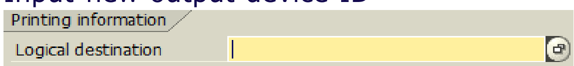
<table>
<tr><td></td><td>delivery. Make certain the appropriate line item is selected.

Underdeliv.tol. : Enter the tolerance in percentage format for under delivery. Make certain the appropriate line item is selected.

This feature can be useful when ordering printing as the printer often will have a run greater or lesser than the amount ordered. Any over delivery tolerance expense is taken from the free balance.</td></tr>
<tr><td>17</td><td>How do I redirect the PO to be printed on a different printer than the default?

Section: Action buttons below screen title

The steps below must be executed after the completion of and prior to saving the PO, and must be redirected to an SAP output.

1. Click "Messages" Messages
2. Click "Communication Method" Communication method
3. Input new output device ID

4. Click "back arrow" twice
5. Click "Save"

PO should print on selected printer.</td></tr>
<tr><td>18</td><td>How do I print an additional copy of the purchase order?

See Print Additional Copy of Purchase Order.</td></tr>
<tr><td colspan="2">You can now post the document by clicking on . Record the purchase order (document) number on the backup documentation and file. Fax the purchase order to the vendor.</td></tr>
</table>

Related Topics/Sites

Create PO from Purchase Requisition - Radioisotope

Create Goods Receipt

Create an Invoice

Create Personal Settings for a Purchase Order

Print an Additional Copy of a Purchase Order

Repeat Account Assignments/Multiple Account Assignments

Resource Information

How To Purchase Goods or Services

How To Purchase Restricted Substances

Guide to Financial Management

[Purchasing Policy]

[Purchasing Regulations]

top