Prerequisites and Audience

• Prerequisites
  • None

• Audience
  • Any user with rights and responsibilities relating to approving purchase requisitions

There is no prerequisites necessary if you are ONLY this Approvers course.
SAP
Introduction

Read
Key Process Benefits

• Standardized and streamlined business practices
• More accurate reporting
• Additional controls within the procurement process
• One-time data entry
• Real-time access to data, with information in consistent formats
• Documentation audit trail for accountability
Basically this process will be like our current process; it will just be handled within SAP instead of the current system.

**Purchase Requisition** – The department responsible will enter a requirement for materials to the Purchasing department through a purchase requisition.

**Release Strategy** – The Approval Process is the same as it is today. The process is started with the purchase requisition, the requisition must be approved by the responsible party.

**RFQ – (Request for Quote)** – Purchasing will determine if an Invitation for Bids or a Request for Proposal is required.

**Purchase Order Processing** – A purchase order is entered by Materials Management.

**Monitor Purchase Order** – The buyer can monitor the status of the purchase order, goods received and invoicing.

**Goods receipt** – the SAP system compares the received goods quantity with the purchase order quantity.

**Logistics invoice verification (LIV)** – Invoices are checked for accuracy of price and quantity of goods, matched to the Goods Receipt, and the Purchase Order.

**Payment processing** – Accounting is responsible for vendor payments.
Requisition Process

• Requisition
  - Informal request for goods and/or services created by the department

• Release Strategy
  - Approval process required for all requisitions

• Purchase Order
  - Formal request for goods and/or services created by Purchasing and sent directly to the vendor

• Goods Receipt
  - Online receiving process
Purchase Requisitions

- A purchase requisition:
  - An on-line process designed to inform the purchasing office of an internal department’s need to acquire a particular good or service.
SAP has Simplified the Procurement Process

• There are now only 2 ways to procure goods at UK:
  • Under $5K – Procurement Card
    Following Procurement Card policies–some purchases are not allowed on the Procurement Card
  • Over $5K – Requisition

• If a vendor does not accept our procurement card, a requisition must be created, regardless of the dollar amount

• Confirmation (for payment only) for goods orders will not be accepted in Purchasing

• Invoices should be sent to Accounts Payable or Hospital Accounting

There are now only 2 ways to procure goods at UK:
• Under $5K – Procurement Card
  Following Procurement Card policies–some purchases are not allowed on the Procurement Card
• Over $5K – Requisition

Purchases are not allowed on DAV.

Confirmation Orders – you cannot pick-up the phone and place an order with a vendor and then do a requisition. You must complete a requisition first, get it approved and Purchasing will process a purchase order.
RELEASE STRATEGY
Levels of Approval

- All purchase requisitions must be approved.

- Levels of Approval
  - L1 – level 1 – $0 to $9,999.99 per document
  - L2 – level 2 – >$10,000 per document
  - CE – special – Computer equipment > $10,000 per line item
  - VE – special – Any vehicle per line item

- All leased equipment approvals must follow lease guidelines.

- Release strategies are based on Release code and Release group
- Will use workflow to route and approve requisitions
- Here is the approval process as implemented at UK:
  - Requisitions charged to a cost center (account assignment category K) are approved, at a minimum, by the department manager based on dollar limit.
    - $0 to $10,000 – Level 1 Business Officer or equivalent
    - Above $10,000 – Level 2 Department Head or equivalent
    - Computers – Information Technology
    - Vehicles – EVP or Provost
Logging on to SAP R/3

• Log on to SAP using the web portal
  • Enter your user ID and password

CRITICAL SECURITY INFORMATION!!!
• Remember, you need to keep your access secure by:
  ▪ Not leaving the myUK portal website logged on, if you leave your desk
  ▪ DO NOT have your computer remember the myUK portal AD User ID & password

  ▪ Either of the above actions could result in an unauthorized person using the SAP access under your logon ID.

  ▪ To delete a computer-memorized password in IE: In the menu bar, choose Tools → Internet Options → Content tab → AutoComplete → Clear Passwords. You also may want to uncheck “User names and passwords on forms” as well as “Prompt me to save passwords”
Accessing Workplace & Workflow

1. Click the Workplace icon

2. Navigate through the SAP menu paths
The Workplace Screen
Look for These Items

- Total $ amount
- Appropriate account assignment

[Image of a computer screen showing a spreadsheet with data highlighted and arrows pointing to specific cells and columns.]

Approvers (APP_310)
**Type of Accounts**

<table>
<thead>
<tr>
<th>Type of Accounts</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Center</strong></td>
<td>Subsidiary Ledger Accounts: 1, 2, 3 (except 3–5XXXX), 5, 8 &amp; 9</td>
</tr>
<tr>
<td><strong>Internal Order</strong></td>
<td>Job Order: Ledger 6</td>
</tr>
<tr>
<td><strong>WBS Element</strong></td>
<td>Grant Accounts: Ledger 4</td>
</tr>
<tr>
<td></td>
<td>Capital Projects: Ledger 7</td>
</tr>
<tr>
<td></td>
<td>Other Projects: 3–5XXXX</td>
</tr>
</tbody>
</table>

• **Critical Slide!**

• **Account Assignment** – The type of account that is being used. For example, “K” is a cost center and “P” is a project.

• **Account Number/Cost Object** – A Cost Object includes all of these elements (cost center, internal order & WBS element).

• **Subsidiary Ledger/Cost Center** – In FRS, we have Subsidiary ledgers. In SAP, if you have any of these numbers, you will have cost centers.

• **Object Code/GL Account** – *This is a big terminology change to get used to.* In FRS, we refer to GL accounts as General Ledger account numbers. In SAP, **object codes** will be called G/L Accounts.

• If you get a question about **user codes**:
  - The Finance Team has figured out how to track purchases in SAP, but it will not be by utilizing user codes. User codes will work with a cost center and you will learn more about that in Financial training.
Approver’s Options

- Look at a requisition
- Reserve a requisition
- Approve a requisition
- Reject a requisition

We’ll look at each of these options and their consequences
Look at a requisition

- Just looking at the requisition will:
  - Change the status from Ready to In Process
  - Removes the requisition from all other folders
- To return requisition to Ready state click the Replace icon

It is extremely important to realize that if you just open a requisition to look at it, it is removed from all other inboxes regardless if you are the approver or a backup in the approval scheme.

If you look at a requisition and you will not be acting on it you must return the requisition to the ready state so others can see the requisition. Do this by selecting the requisition and clicking on the Replace icon. This will allow the requisition to once again appear in their inbox.
Reserve a requisition

To Reserve a requisition click the Reserve icon, this will:

• Change the status from Ready or In Process to Reserve
• Remove the requisition from all other folders
• Return to Ready state click the Replace icon

When you reserve a requisition, you remove that requisition from all others’ inboxes.
Approve a requisition

- Click on Release Options icon
- Icon changes to Cancel Release icon
- Click Save
Reject a Requisition

1. Type a message in the TEXT – Header Note Field
2. Click the Reject icon
3. Make changes to the requisition
4. Click the Save icon

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## Release Strategy

**Microsoft Outlook notification to release a Purchase Requisition:**

<table>
<thead>
<tr>
<th>From: Batch User</th>
<th>To: Harrison, Stuart</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject: Please release purchase requisition 10008623</td>
<td></td>
</tr>
<tr>
<td>Attachments: Workfile.HFM (2.10)</td>
<td></td>
</tr>
</tbody>
</table>

The following Workfile item has been created in SAP. Please double click on the attachment or log into your SAP, transaction SD09, to process the below item:

```
Please release purchase requisition 10008623
```

If you have any problems logging on, contact your system administrator.

Please do not reply to this email.

---

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Release Strategy

**Approver's Inbox**

Microsoft Outlook notification if approval is not completed in 30 days

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Accessing SAP Workflow from Outlook

Accessing SAP Workflow from Microsoft Outlook

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Look for These Items

Appropriate account assignment

Total $ amount
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**Approvals & Rejections**

**Requisitioner’s Inbox**

Microsoft Outlook notification if the requisition has been rejected by the approver

<table>
<thead>
<tr>
<th>Inbox</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

The following Workflow item has been rejected. Please double click on the attachment or log into your SAP, transaction BPWP, to review the below items:

Purchase requisition 10003622 rejected

If you have any problems logging on, contact your system administrator.

Please do not reply to this email.

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- Here is the approval process as implemented at UK:
  - Requisitions charged to a cost center (account assignment category K) are approved, at a minimum, by the department manager based on dollar limit.
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ADDITIONAL RELEASE
STRATEGY FEATURES
Approve a requisition – Level 1 & Level 2

- Double-click the requisition
- Click on Release Options icon
- Icon changes to Cancel Release icon
- Click Save