

Finance Notes & News

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Important Purchasing Message

We have had several problems with incoming requisitions when there is a quote attached. Please make sure that your requisitions are entered exactly like the quote that you receive from the vendor. Several people are sending over requisitions with a "1 LOT" price and just typing a brief description of the items they are ordering. We ask that you type each item that is on the quote on the requisition. This will help you out tremendously when it comes to releasing your pre-encumbrances as once a requisition is budget checked successfully, it is then a pre-encumbrance that hits against your budget. Furthermore, vendors generally invoice a mirror image of the quote, so payments will be more expeditious.

Preparing for Year End

Departments should take the following steps to ensure their cost centers are in good shape by August 31:

1. Review unposted vouchers.
 - a. Run the UHS_AP_UNPOSTED_VOUCHERS query in FSRPT.
 - b. Budget check and submit all vouchers to be processed to Accounts Payable ASAP.
 - c. Delete any vouchers that will not be processed.
2. Review open commitments.
 - a. Run the UHS_OPEN_COMMITMENTS_DETAIL query in FSRPT.
 - b. Submit the Encumbrance Adjustment Form for any requisition, PO, or Research Contract commitments that need to be adjusted. Attach the DETAIL query printout if releasing multiple POs.
 - c. Submit a Journal Entry to General Accounting to adjust any telephone or postage encumbrances. Remember to select "Encumbrance" as the Budget Adjustment Type when creating these JEs online or type "Encumbrance Journal" in the Description field on the Journal Entry Request Form.
3. Review budget balances.
 - a. Run the UGL01063 (non-projects) and UGL01064 (projects) reports to view budget balances for all cost centers in a department.
 - b. Correct deficit budget balances by reallocating expenses, releasing unneeded encumbrances, and/or transferring budget.
4. Review fund equity balances.
 - a. Run the UGL01016 report to view fund equity balances for all cost centers in a department.
 - b. Correct deficit fund equity balances by reallocating expenses and/or transferring funds.

Reminders from General Accounting

Thanks to all of the departments that have taken the journal entry class; you are all doing such a great job of getting your journals entered into the system!

If you haven't taken the journal entry class, please sign up for one of our classes in June. We are quickly approaching the point at which General Accounting will no longer enter journals for the departments.

Just a few reminders:

Journal Effective Dates: Backdating a journal to a closed accounting period will keep it from passing **Edit Check** in PeopleSoft and prevent it from being posted by General Accounting. Journals created with current period's dates must be received in General Accounting by 5:00 pm of the last business day of the month.

For example: Cash deposit journals dated for June 30th (6/30/03) must be accepted by the Cashier's (Bursar's) office no later than 2:30 pm on June 30th to be deposited in the bank and recorded in PSGL in June business. Please do not create deposit journals with a June 30th date if you are not able to have the journal delivered to the Cashier by 2:30 on that Monday. Doing so will just cause extra work for General Accounting and delay the posting of your journal.

All other journals to be processed in June, including those dated June 30th (6/30/03) must be received in General Accounting before 5:00 pm on Monday, June 30th to be recorded in June's business. A journal created in the first few days of July with a June date may pass **Edit Check** but will not be posted in June business by General Accounting. Again, doing so will just cause extra work for General Accounting and your department as well.

Correcting or Reallocating Posted Journals: Journals to correct or reallocate items from one account and/or cost center to another must have a meaningful justification and include a report for documentation.

We suggest that you;

- use the same departmental reference number and the same PSGL Journal ID (with a different date, of course) for auditing purposes,
- include relevant information in the journal header description section explaining the reason for the correction/reallocation,
- include meaningful descriptions on each line of the journal, and
- attach the PSGL query, UGL01051 or UGL01074 with the lines underscored that pertain to the correcting journal.

Correcting Journals Before they Post: You can still make certain changes to a journal that has been edit-checked, as long as it has **not** been budget checked or posted. These changes include the account number, cost center, line descriptions, and amount.

What you **cannot** change on a journal are the items on the "Add-Journal Entry" panel: the business unit, journal number, or journal date.

Once the journal has been edit checked and budget checked, then the journal requires special handling to affect a change. **DO NOT abandon the journal and start all over.** Contact **Jarred Aune** in General Accounting (**3-8739**) if you need to make changes to a journal that has already been budget checked.

More Report Options in the BOB Report

The BOB Report can now be run from the HR database by Division, College, and Department. Therefore, if the report needs to be processed for a whole College, inserting a row for each department is no longer necessary. Report Options can now be chosen (i.e. College) and a field value entered such as H0411 Natural Sciences and Mathematics.

1. Choose a report option, in this college, with a field value of H0411.

The screenshot shows the 'UH Custom - Reports - BOB Report' window. The 'Report Request Parameters' section includes:

- Operator ID: SOARESME
- Run Control ID: mis
- Language: English
- As Of Date: 12/31/2002
- Business Unit: HR730
- Report Options: All, Division, College, Department
- Sort Option: Department, Cost Center
- Page Break after Cost Center:
- Cost Centers: Fund Code (1026), Department, Program Code, Project Id

2. The report option requested field will appear.

The screenshot shows the 'UH Custom - Reports - BOB Report' window after configuration changes. The 'Report Request Parameters' section includes:

- Operator ID: SOARESME
- Run Control ID: mis
- Language: English
- As Of Date: 12/31/2002
- Business Unit: HR730
- Report Options: All, Division, College, Department
- College ID: H0411
- Sort Option: Department, Cost Center
- Page Break after Cost Center:
- Cost Centers: Fund Code (1026), Department, Program Code, Project Id

University HUB Program Offers Training, Guidance for Usage of HUB Vendors

University employees often use the benchmarks of “best price,” “low bid,” or “best value” when deciding which vendor to use to purchase a particular product. While best price or low bid are important to consider, if not used correctly they may not result in the best value, because if the original specifications were not done carefully, the result may be the purchase of an inferior product. Best price may be the best value, however, if a 10 percent higher price yields a product with a 25 percent greater life expectancy, then the higher price is obviously the best value.

Customer service also can often be an important consideration in the best value criteria. Selecting a small, woman or minority owned business often results in customer service that is above and beyond the call of duty. This results from the fact that in their effort to grow their business these folks typically go the extra mile with service that is beyond expectations. An additional benefit is that when you utilize a minority vendor that is HUB-certified by the State of Texas, UH receives credit and recognition from the State for HUB utilization.

You should also consider the fact that using a broad vendor base increases the probability of a best price or value. Including minority (HUB) vendors in that database further increases the possibility of your obtaining a best value because of their competitiveness. Your University HUB Operations Department offers one-on-one or group training to help you quickly and easily identify HUB vendors, and most importantly, teach you how to find vendors for that unusual purchase that might need to be rushed, and when you need assistance finding out which vendor sells a particular product.

For questions or training appointments please contact:

Dick Nill, Director, HUB Program, at 3-5670, e-mail danill@central.uh.edu

Sandra Webb, HUB Coordinator, at 3-5662, e-mail swwebb@uh.edu

Encumbrance Adjustment Form is Now Easier to Use

The Encumbrance Adjustment Form (EAF) is used to request adjustments to the following types of open commitments:

Pre-Encumbrances on Requisitions
Encumbrances on Purchase Orders
Encumbrances on Research Contracts

The top portion of the form has been redesigned to provide the following options:

- Release pre-encumbrance (requisitions). **(Send form to Purchasing.)**
- Cancel the entire PO. No payment was or will be issued on a PO voucher. **(Send to AP for POs; OCG for research contracts.)**
- Release encumbrance as indicated below. **(Send to AP for POs; OCG for research contracts.)**
- Increase encumbrance as indicated below. **(Send to AP for POs; OCG for research contracts.)**

In addition, departments may now request multiple encumbrance releases with the same form as follows:

1. In the Comments section of the Encumbrance Adjustment Form, type “Release remaining encumbrance for the attached list of POs.” Enter department contact information and get a certifying signature.
2. Attach a printout of the UHS_OPEN_COMMITMENTS_DETAIL query. Delete any lines from the query that you do not want released.
3. Send the EAF and query printout to the appropriate office.

The EAF may be downloaded at the following address: <http://www.uh.edu/finance/Forms.html>

Purchasing Department's Frequently Asked Questions...



I need my name added as a requester, what should I do?

Email Trish Erndt at terndt@uh.edu with your name, department code and mail code and she will set you up. (Carla West and Sharon Davis can also enter requesters in the event that Trish is out of the office, etc.)

I need to cancel a requisition, how do I do that?

Email Trish Erndt at terndt@uh.edu and include the requisition number that you want cancelled. She will let you know once the cancellation has been processed.

I am having trouble entering in my category, what am I doing wrong?

You probably don't have your CAPS LOCK turned on. Several fields within the requisition require all caps so it is just easier to turn it on when entering requisitions.

I keep getting an error message that says Invalid ChartFields when I run process edits. What does that mean?

Click on the Requisition Schedule tab within the requisition. Then click on the little red and white icon in the right center of the page. That should take you into the details of the line schedule. Make sure that your ChartField information is there. If you do not follow the instructions step by step, it does not save the information that you enter on the Defaults/Details panel.

I cannot seem to get my requisition to pass budget check. What do I do now?

First, verify your account number. If that doesn't work, contact your department business manager or whomever handles the budgets in your area. You may want to look at the Budget Control Exceptions panel in order to see what the error is. The navigation to that panel is Go – Administer Procurement – Requisition Items - Use - Budget Control Exceptions.

What information, other than price, should I request when getting a quote from a vendor?

You should ask the vendor about shipping charges and include those, if any, as a separate line item on your requisition.

Should I include the quotes I may receive from other vendors, even though I don't want their product or service?

Yes, that information would be very helpful to the buyer in the event that your order is to be sent out for bid. If you know of other vendors that carry the item you are looking for but haven't necessarily obtained pricing from them, you can let the buyer know of those vendors by typing the names and phone numbers on the Header Comments panel.

If I get quotes from vendors does Purchasing still have to bid out my requisition?

Depending on the dollar amount, the buyer may or may not have to put your order out on bid. If your requisition is over \$15,000.00, a formal bid is required. However, sending the quotes you've obtained will speed the process along.

I have an order for radioactive materials. Should I select Safety & Risk Management's ship to code on my requisition?

Yes, you should. For radioactive materials and dangerous drugs, the ship to code you should select is H1005. If you are ordering animals, you should select H5036 so that they will be shipped to Animal Care.

I have a copier that we are renting/leasing, do I need to send a requisition to Purchasing or can I pay it monthly on a voucher?

Departments should process the rentals or leases through the Purchasing Department. Generally, these rentals or leases are either on a State Contract or formally bid and there needs to be consistency in the processing of the order to ensure compliance with the State Contract or the Invitation to Bid.

New General Ledger Report: Department Reconciliation Report

The new Department Reconciliation Report, UGL01074, is now available for use in PeopleSoft General Ledger. Designed to provide a combination of both flexibility and convenience, the UGL01074 is an all-in-one report that can be customized by using a series of check boxes to select from various report parameters. The report parameter panel is organized into three main components with which to establish the desired report criteria: timeframe, report options and cost center request. The timeframe and report option selections apply to the cost center(s) specified in the lower portion of the panel enabling multiple report and cost center requests with a single run control. The five sections of the report range from a high-level budget summary presentation to detailed transaction and commitment information. The structuring of the report in this manner simplifies report generation and will ultimately streamline the General Ledger report inventory. Moreover, the broad range of information and expanded commitment reporting make it well suited for monthly reconciliation purposes. The five sections of the UGL01074 will be featured in the finance newsletter in the months ahead. The following matrix provides a summary comparison of the new UGL01074 report with existing general ledger reports:

UGLS1074 DEPARTMENT RECONCILIATION REPORT ROADMAP

| NEW GENERAL LEDGER UGLS1074 REPORT | | EXISTING GENERAL LEDGER EQUIVALENTS |
|------------------------------------|---|---|
| Section 1 | Revenue & Expense Budget Node Summary | UGL01050 Revenue & Expense Summary |
| Section 2 | Revenue & Expense Budget Node & Account Summary | UGL01050 Revenue & Expense Detail |
| Section 3 | Assets, Liabilities, Fund Equity Transactions Revenue & Expense Actual Trans & Budget Journals | Balance Sheet UGL01049 Rev/Exp & Budget Journals UGL01051 |
| Section 4 | Open Commitments | UHS_OPEN_COMMITMENTS_DETAIL/SUMMARY |
| Section 5 | Revenue & Expense Soft Commitments | No equivalent report. Arrived at by comparison of the budget to actual ledger data shown on the UGL01051. |
| To be Added | Balance Sheet Summary | Summary Balance Sheet UGL01048 |

Instructions for generating the report can be found on the UHS\UH Division of Finance website under training material <http://www.uh.edu/finance/Training.html>.

Report reading sessions for the UGL01074 will be scheduled throughout the summer and will be listed on the Division of Finance training link. No registration is required.

Q: What is a soft commitment?

A: A transaction that is budget checked but not posted.

June 2003

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|---|---|---|---|--|-----|
| 1 | 2 | 3 | 4 | 5 A/P FAST Start 9 a.m. UBP 2-224 Online Requisition Entry 2 p.m. UBP 2-224 | 6 Basic Financial Reports 10 a.m. UBP 2-224 | 7 |
| 8 | 9 | 10 GL Orientation 9 a.m. UBP 2-224 Travel Voucher Audit 1:30 p.m. UBP 2-224 | 11 Travel Requests and Vouchers 9 a.m. UBP 2-224 | 12 Online Requisition Entry 2 p.m. UBP 2-224 | 13 | 14 |
| 15 | 16 General Ledger Reporting 1 p.m. UBP 2-224 | 17 GL Orientation 1 p.m. UBP 2-224 | 18 Query/Crystal Basic 9 a.m. UBP 2-224 | 19 Payables/Advanced Vouchers 9 a.m. UBP 2-224 Online Requisition Entry 2 p.m. UBP 2-224 | 20 | 21 |
| 22 | 23 | 24 Journal Entry 9 a.m. UBP 2-224 | 25 Advanced HR Pay- roll/Reallocation 1 p.m. UBP 2-224 | 26 PO Vouchers and Encumbrances UBP 2-224 Online Requisition Entry 2 p.m. UBP 2-224 | 27 | 28 |
| 29 | 30 Query/Crystal Basic 9 a.m. UBP 2-224 | | | | | |

Please Note: The Purchasing Department is now part of the Office of Finance. We are very excited about this new relationship and the opportunities that lie ahead.

With this move, we have decided to discontinue our Cougar Buy-Ways newsletter and communicate through this Finance Newsletter. We anticipate bringing you the latest Purchasing related information, updates on on-going initiatives and a FAQ section. Please let us know at purchasing@uh.edu of any issue that you would like us to discuss or question you would like addressed.