Shropshire Council

ERP Purchasing 2024 - Schools

How to raise requisitions and orders (including call off orders), trace the workflow, pay invoices and run financial enquiries and reports

UNIT4

ERP - Finance

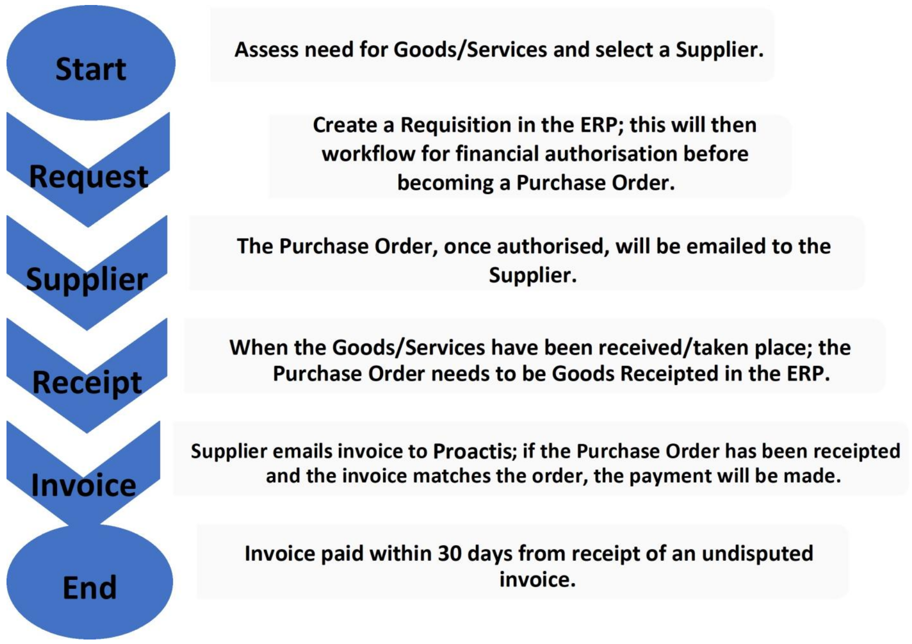
Purchasing

Purchasing Goods and Services

The ERP is used to order any goods or services that your team requires

The process starts by creating the Requisition, it then enters the workflow and ends when the goods or services have been paid for

Purchasing Process



Assessing the need for goods and services and selecting a supplier

Outside of the ERP, you will assess the need for ordering goods and services for your school

You will then select a supplier from those that have gone through the procurement process

Before creating the request you will need to check the Supplier's details within the ERP

The email address must be correct so the order is received by the Supplier

If the Supplier isn't currently on the ERP, you will need to add them as a new supplier after they have completed and returned the New Supplier Creation Form

Supplier Groups

Suppliers are created and linked to a Supplier Group and this is how access is controlled

The majority of suppliers are set up in the General Supplier Group

Top Tips

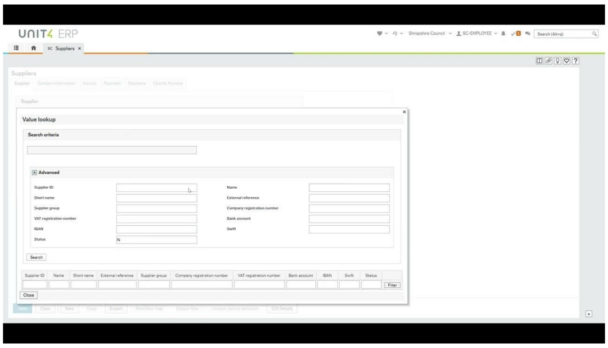
Top Tips

- When searching for a supplier, check by bank details

- To set up a new supplier, the [New Supplier Creation Form]() needs to be completed by the supplier, returned to you so you can add them to the ERP and attach the completed New Supplier Creation Form
- The *Internal use only* page at the end of the form must be completed by the Head Admin/School Business Manager/Headteacher once the supplier has completed the form as it is their responsibility to conduct an IR35 check if required
- When entering the supplier on ERP, the mandatory relation field **IR35 check required** - *YES/NO* must be completed by using the information the Head Admin/School Business Manager/Headteacher has provided on the **New Supplier Creation Form** *Internal use only page*

Checking Supplier by Bank Details

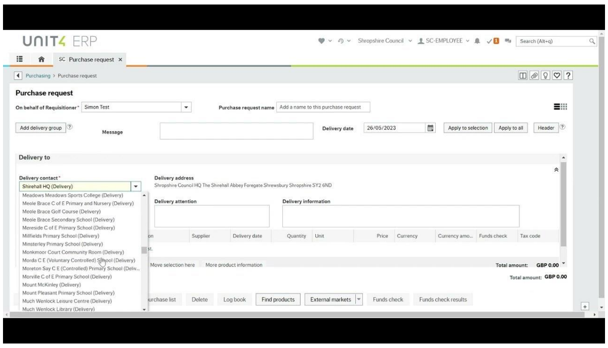
- When in the suppliers section, click on the box at the end of the look up field and choose Value Lookup
- In the Value look up screen, click on the arrows next to Advanced to open up the advanced search, then type in the 8 digit bank account number into the Bank account box and click Search
- This will then bring up in the boxes at the bottom if its picked up any matches



Creating a Requisition

To place an order for goods or services, you need to create a Requisition

This will then workflow to the budget holder to approve and will then be emailed directly to the Supplier as a Purchase Order



Top Tips

- Delivery details can be amended by either selecting a different option from the default address or, if the address is available here, you can add specific instructions in the three additional delivery instruction boxes below
- Product line description - need to add to the product text box when go into magnifying glass for additional detail
- Quantity driven - if the order is created as 1 quantity for multiple items that arrive separately, as soon as the first item has been receipted and paid, the order will be closed
- Once a Requisition has been approved and a PO created, the PO can **NOT** be amended

Call Off Orders

If you receive regular invoices from a supplier but the amount and frequency of these invoices differ, it may be suitable to create a 'call off' order

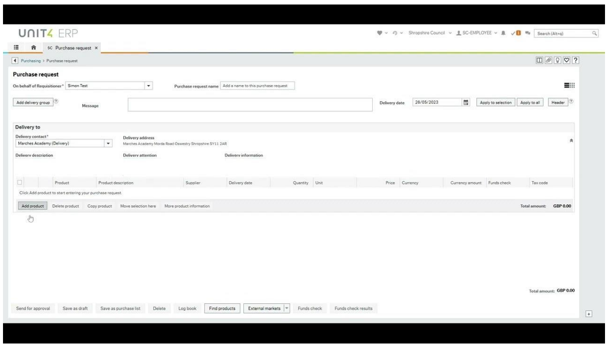
With a Call off order you are giving the supplier a 'permanent order number' (usually for the financial year) and asking them to quote this on each invoice they send in to you

When placing a requisition you can select a specially set up Product Code that will have '(Call Off Order)' in the description. The quantity will default to 1 and cannot be edited and in the Price field you can enter the amount you are expecting to spend with the supplier

How do I know if I need to raise a Call Off Order?

You may want to speak with your Finance Business Partner, so you can do the best estimate of expected spend for that supplier when raising the requisition

You can use reports, to keep track of how much of the order has been used throughout the period, as when all the quantity has been used up it will automatically close and also if the whole amount is not required you will need to manually close down the order to remove the remaining commitment to your order

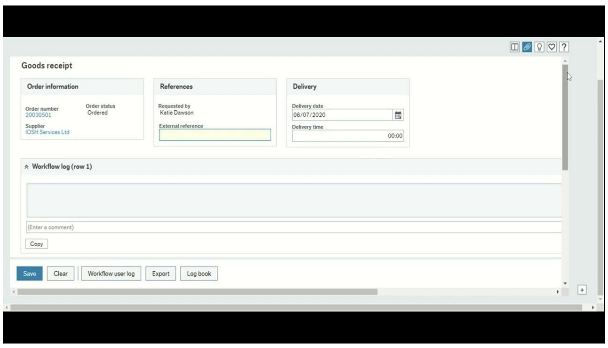


Managing and Closing Orders

- Orders can't be amended so any adjustments to price or quantity will need to go through an extra approval process within the ERP after they have been receipted or invoiced
- Orders need to managed as until the total quantity has been receipted, the order will remain open and the budget will still be showing with the full amount allocated
- To check the progress of any requisitions you have raised you can check them in *Procurement > Requisitions >* ***Own Requisitions*** or *Procurement > Requisitions > Enquiries >* ***Workflow Enquiry – Requisitions***
- It is recommended that you regularly cleanse your orders so if you have received all the goods/services on an order but there is still some quantity outstanding, you can close the order by going into *Procurement > Purchase orders > Purchase order follow up >* ***Purchase order amendment***

Confirming Receipt of Goods and Services

On the day, or as close after as possible, that the goods are received or after the service has taken place, this needs to be receipted in the ERP



- You can review your goods receipt history and invoices linked to the order in Procurement >Purchase Orders>Goods received>***Goods receipt,*** type in the PO number, click on the blue order number and this shows order information and receipt history
- If the order, when completed, ends up being greater than the Purchase Order amount, you need to receipt the total value to trigger an additional approval workflow for the extra amount as exceeding the tolerance levels

Paying for Goods and Services

The invoice for these goods and services should be emailed directly to the Proactis mailbox (shropshirecouncil.invoices@proactiscapture.com) clearly stating the Purchase Order number on the invoice

This will then be paid in line with Shropshire Council's policy

If the price on the invoice is over the order value then an additional approval will be required

What is a valid invoice?

A valid invoice must be provided to substantiate any payment e.g. Pro-forma invoices, delivery notes, statements etc. are not valid. Invoices must be compliant with HMRC requirements, they must include:

- A unique identification number (invoice number).
- Be addressed (name & address) to Shropshire Council or the appropriate establishment.*
- Provide the name and address and contact information of the person/company submitting the invoice.
- Quote a valid Shropshire Council Purchase Order(PO) number.
- A clear description of what the invoice is for.
- The date the goods or service were provided (supply date).
- The date of the invoice.
- The amount(s) being charged.
- VAT amount if applicable.
- The total amount owed.

- They must be valid VAT invoices (see HMRC requirements: https://www.gov.uk/vat-record-keeping/vat-invoices), where the supplier is VAT registered.

* N.B. where invoices are not addressed to Shropshire Council, payments can only be made using a 'Manual Payment Request Form' and in these circumstances the Council cannot reclaim the VAT and the invoice should be coded as non-recoverable and will be an additional cost against your budget.

No PO No Pay

The No Purchase Order (PO) No Pay Policy is that all orders to Suppliers must be accompanied by a PO raised in the ERP

Any invoices received without a valid PO number, or agreed exemption, will not be paid and will be returned to the Supplier

Staff must not commit to Council expenditure without the prior issue of a PO to the supplier, that has been raised in accordance with the Councils Financial and Procurement Rules

What are the exemptions to the "No PO No Pay" policy?

- Telecommunication services (landline and mobile)
- Utilities e.g. Electric, Gas, Water
- Rates - NNDR and Council Tax
- Periodical payments e.g. rent (these should be set up as recurring payments)
- Payments made via the Manual Payment Request form, that are not associated with an invoice from the supplier receiving the payment
- Grant payments (unless they are made up on receipt of an invoice from the body receiving the grant
- VAT only invoices
- Purchases made through Purchase Cards or Imprest Accounts
- Credit notes
- Transactions processed through other Council IT Systems that interface with the ERP to make the payment
- Other exemptions applied for via the exemption request guidelines and agreed and authorised in writing by the Sefction 151 Officer

Useful Reports

- ***All Orders/Requisitions Report (Budget Holder)*** - Allows the user to see any Orders & Requisition that have been placed in the system
- ***Outstanding Orders (Budget Holder)*** - Allows the user to see any Orders that are outstanding and have not been Goods Receipted or Cancelled
- ***Goods Received Outstanding (Budget Holder)*** - Allows the user to see any Goods Received Accruals where a goods receipt has been made but an invoice has not yet been received in relation to this receipt
- Reports>Finance&Procurement>Finance>Budget Monitoring & I&Es>Orders / Requisitions> ***Outstanding Goods Receipts***
- Procurement>Requisitions>Enquiries>***Workflow Enquiry – Requisitions***
- Procurement>Requisitions>***Own Requisitions***

Set useful reports as **Favourites** so they are easily accessible from the home dashboard

Ongoing Help & Support

How to Videos

There are ERP "how to" videos on You Tube here

ERP Support Virtual Drop In Clinics

For targeted questions and assistance, there is a fortnightly virtual drop in clinics on MS Teams.

The next dates for these are here

Please use the links to join on the day

Key Contacts

- **Logging in** queries - ICT.support@shropshire.gov.uk
- **Recruitment** queries - resourcing@shropshire.gov.uk
- **Payroll** queries - payroll.notifications@shropshire.gov.uk
- **HR** queries - ask.HR@shropshire.gov.uk
- **Training** or guidance queries - katie.dawson@shropshire.gov.uk
- **System** queries - ERP@shropshire.gov.uk

Finance queries:

- Purchase ledger - purchaseledger@shropshire.gov.uk
- Sales ledger - salesledger@shropshire.gov.uk
- Capital project monitoring - michaela.probert@shropshire.gov.uk

Revenue monitoring - Finance Business Partners

- Adult Social Care and Housing - **Rob Jones**
- Corporate Budgets and Resources – **Maggie Price**
- Place – **Chris Scott**
- Children's Services – **Stephen Waters**
- Health and Wellbeing – **Alison Bennett**

Katie Dawson

ERP Training Officer

katie.dawson@shropshire.gov.uk