Lesson 4:   How To Use COMPASS in Purchasing

Introduction

This lesson demonstrates *COMPASS*'s use in the purchasing processes you have learned about in the previous lessons.

Importance

When you actually perform the processes you have learned about to this point, you use *COMPASS*. Seeing how *COMPASS* works will help you use it correctly.

Objectives

In this lesson, you learn to:

- Find, recognize, and begin completing common *COMPASS* MM forms
- Appreciate why *COMPASS* demands special care when entering data

Topics

This lesson contains these topics:

- Using COMPASS for Purchasing Program Instruments
- Starting with a Budget
- Store Stock Availability
- Ordering from a Contract
- Creating a DFO or LPO
- Effect on the Budget

Section A: Using COMPASS for Purchasing Program Instruments

Hypothetical Process

This section outlines a hypothetical purchasing process. It demonstrates how some of the purchasing instruments are completed in *COMPASS*. It also demonstrates how the purchasing process is integrated with budgeting.

In this process, you will:

1. Look at a budget report for a fund in Compass

2. Check for an item's availability in County stores

3. Search for a contract for that same item

4. Create an LPO to order the item

5. Return to the budget report to view the purchase's affect on the budget

Trainer's Notes: The processes in this section are meant to be broad overviews, rather than detailed teaching of job skills .

Note: This set of procedures mimics the route you might take in a purchasing process. On the job, ordering a product like certificate paper, the example we use, would be simplier than this sequence; you would not encounter some of the "dead ends" or go down some of the "blind alleys" you go down here.

Note: Because the sample database you use in training varies over time, the data you see on your computer may not match the screenshots you see in this book.

Starting with a Budget

In Lesson 1, page 7, your trainer demonstrated a fund budget in *COMPASS* and then explained how the budget numbers change when a requisition for a purchase order is submitted.

Trainer's Notes: This first exercise should be done by all participants. Mention something like, "This may be the only time in your career that you look at a budget. But it is very important that you understand how all purchasing and financial data in COMPASS is interrelated."
This section assumes participants can log in to the Training environment with the user name and passwords you provide.

For *COMPASS* to "live up to its potential," every transaction must be entered completely, accurately, and consistently. Missing data or incomplete data can cause large amounts of additional work for someone somewhere else or can create errors in important reports in the County's overall materials management and financials.

This time you will view that budget on your computer.

Step	Action
1	After logging in to *COMPASS*, at the *COMPASS **Main*** screen, follow the menu path ***Logistics>County Logistics***.

The ***County of Sacramento Logistics*** screen appears.

Figure 17: County of Sacramento Logistics screen
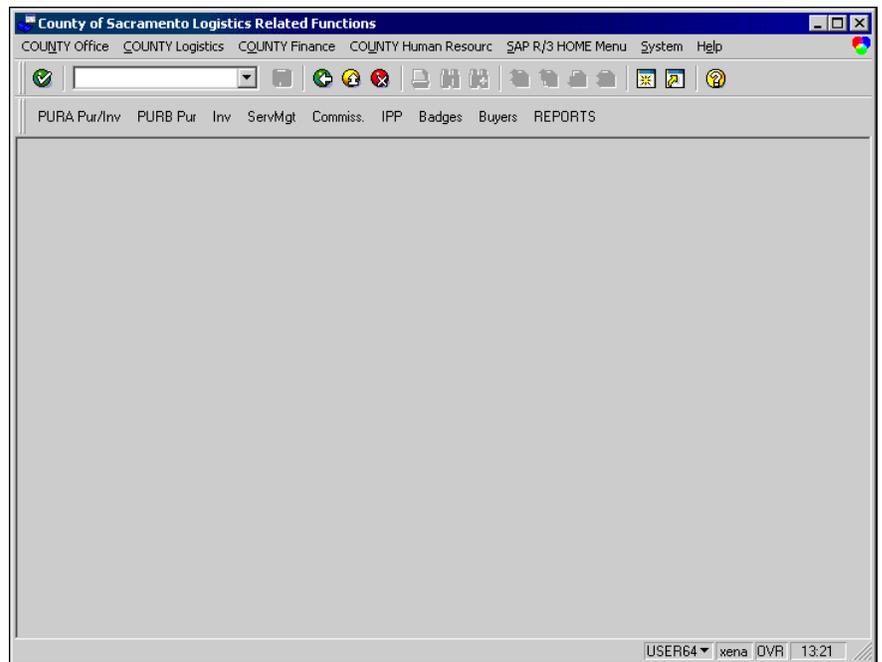
2	Click ┌─REPORTS─┐ ***REPORTS***

Step	Action

3   Follow the menu path to **County Reports>County Funds Management Reports>Budget & Actuals Reports>Actuals>Overview Reports>Overview without Structure No Header**.

Figure 18: Menu path
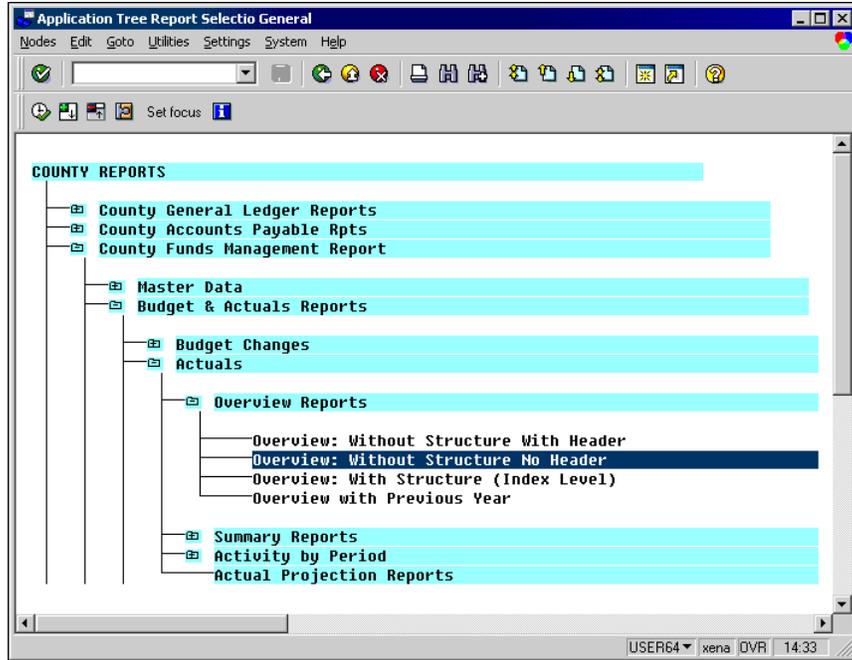
Step	Action
4	Double-click **Overview without Structure No Header**.

The selection dialog for this report appears.

Figure 19: Selection dialog for a report
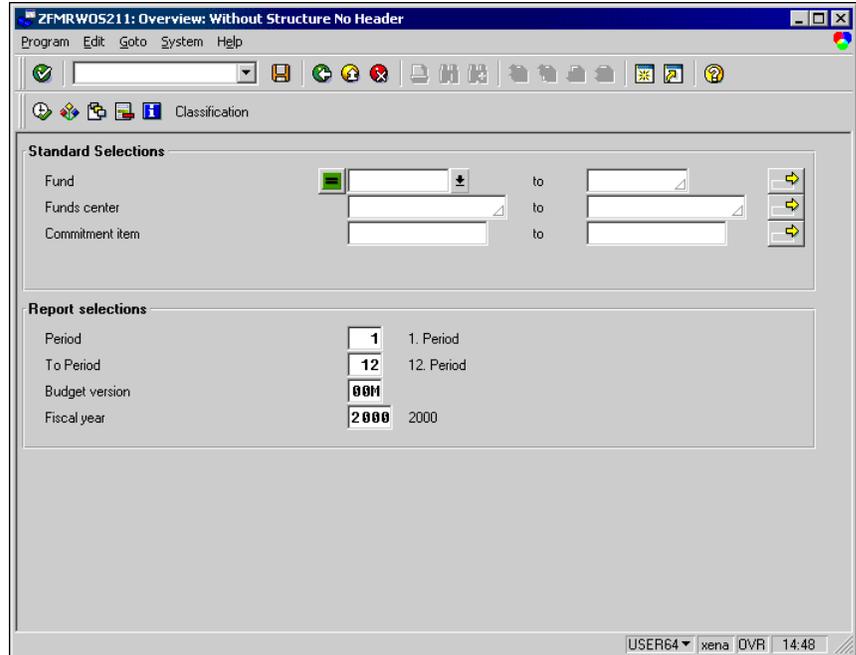
Trainer's Notes: You might want to explain here about funds, fund centers, and G/L accounts. A fund is the source of the money available in the budget. A fund center is the County organizational unit (Division, Department or Office) whose budget is responsible for payment. A Commitment Item is a category of cost; it is the same number as the general ledger (G/L) account. The commitment item is a category of cost for a cost center. A cost center is a further break down of the fund center used to report on how the money was spent. It may represent a work unit, job description, or other cost accounting object; in other words, "who you are."

Type or select the following data in the indicated fields:

Field	Entry	Explanation
Fund	031a	This is an OCIT fund you will use for this exercise
Fund center	7607625	Cost center for this exercise
Budget version	02m	**02** indicates the year
Fiscal Year	2002	Leave **Period** at **1** and **To Period** at **12**

Step	Action
5	Click ⏲ **Execute**.
	A budget report for your cost center appears.

Figure 20: Budget report for cost center

This is the same report you viewed in Lesson 1, page 8. You can refer back there to review the meaning of the columns in this report.

Later in this lesson you will make a purchase and return here to view changes.

|	
6	For the next section, you must "back up' to the County of Sacramento Logistics screen.
	Click 🕑 **Back** on the current screen. A message asks if you want to quit the report.
7	Click **Yes**. A second message asks if you want to save your data.
8	Click **No**. The **Application Tree Reports Selection** screen returns.
9	Click 🕑 **Back**. **The County of Sacramento Logistics** screen returns.

Store Stock Availability
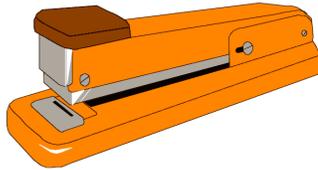
For this exercise, you want to purchase some special paper to create certificates.

To determine whether or not an item is stocked in a County store, do the following:

Step	Action
1	On the *Logistics>County Logistics* screen, click PURA Pur/Inv ***PURAPur/Inv.***

Figure 21: County of Sacramento Logistics Related Functions screen
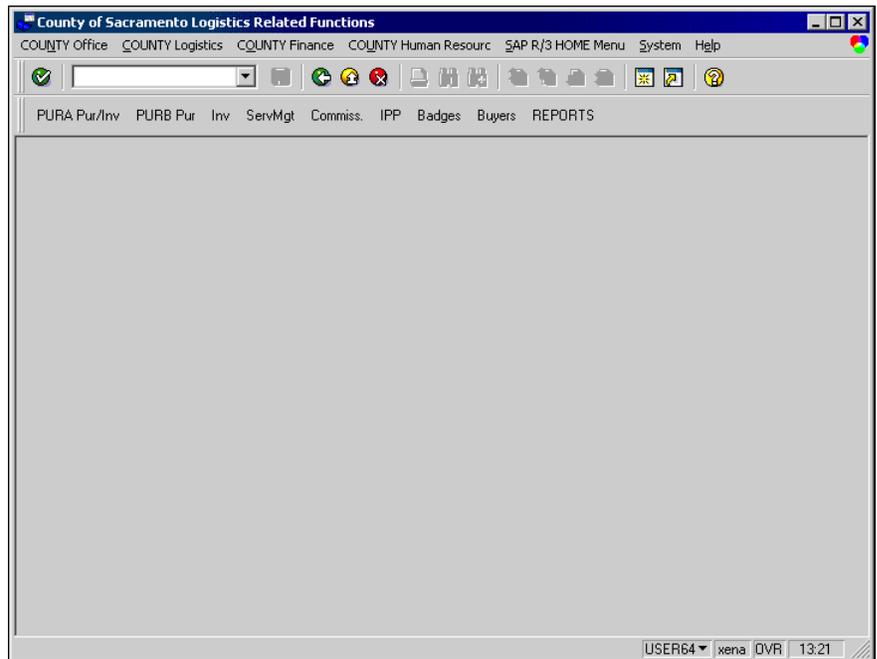
Step	Action
	The **Purchasing Organization A** appears.

Figure 22: Purchasing Organization A screen
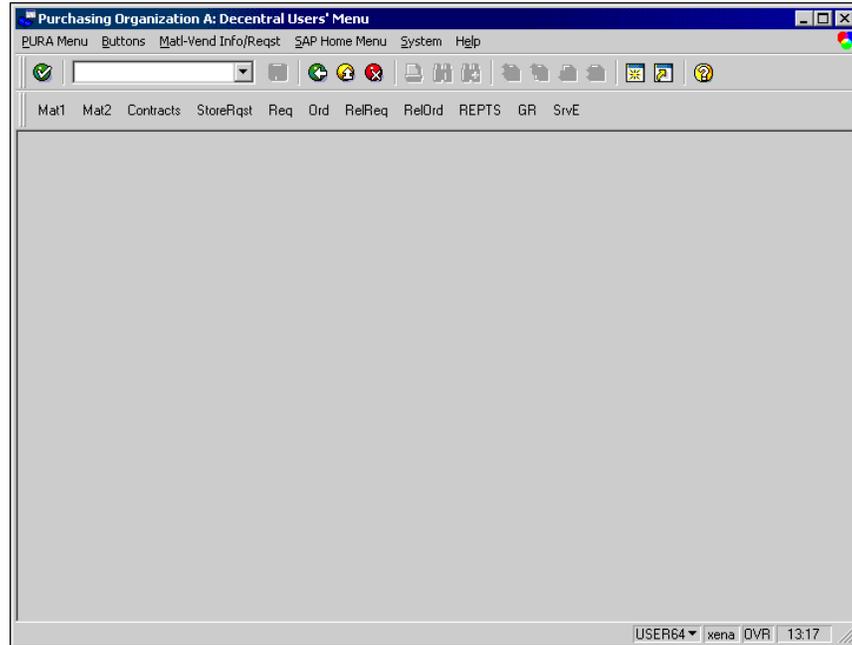
Step	Action

2   Click   Mat2   ***Mat2***.

        Mat stands for ***Materials***.

The ***Display Warehouse Stocks of Material on Hand*** screen appears.

Figure 23: Display Warehouse Stocks of Material on Hand screen
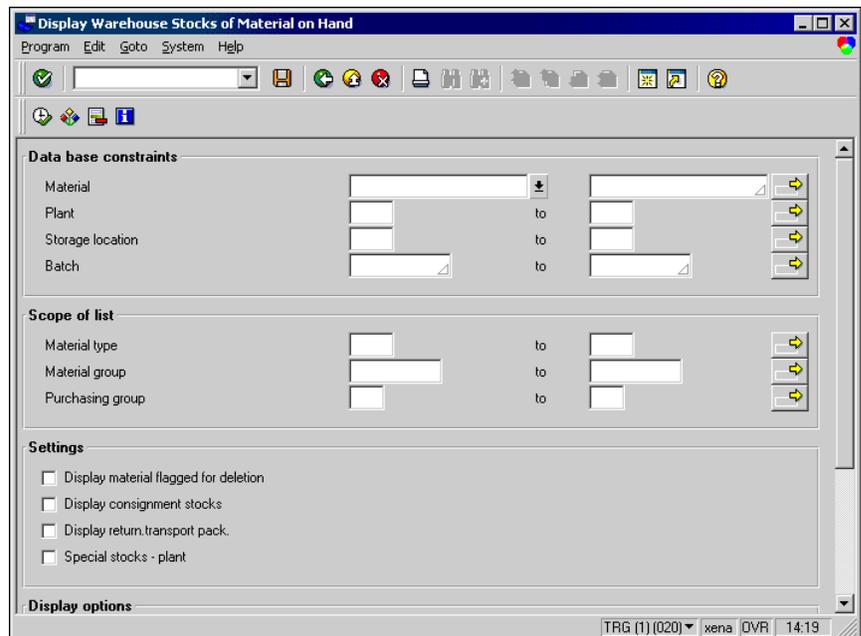
You could have navigated to this screen by typing ***MB52*** in the Command field of the *COMPASS **Main*** screen, and then Click ![enter icon] ***Enter.***

Figure 24: Using a navigation shortcut in the Command field
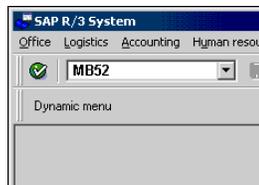
Step	Action
3	Click [icon] next to the **Material** field.

The **Search Help Selection** list appears.

Figure 25: Search Help Selection list
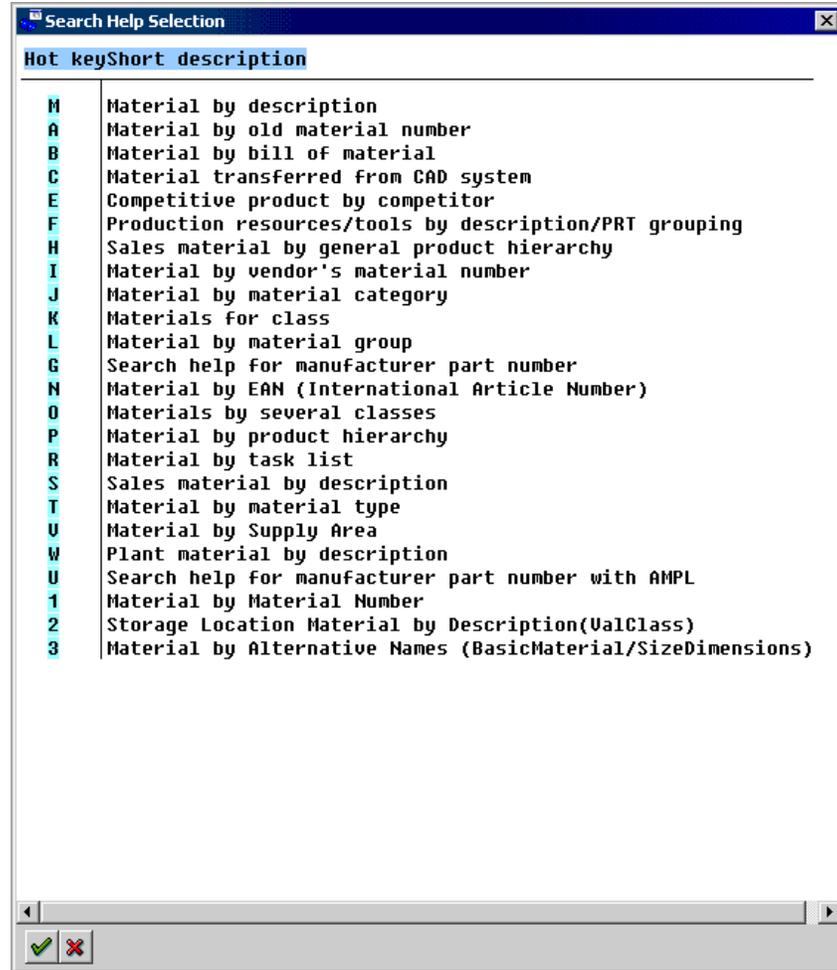
If the **Material by Description** dialog box appears, go to step 4.

If any other dialog box appears, click [icon] **Other search help**, and the **Search Help Selection** list appears.

Step	Action
4	Click **M Material by Description**.

The **Material by Description** dialog box appears:

Figure 26: Materials by description dialog box
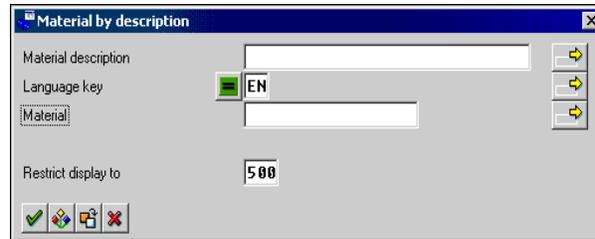
5	In the **Material description** field, type ****paper***.**

You want to search for "Certificate paper." The asterisk (*) is a "wild card." *COMPASS* will return a list of every product whose description includes the word "paper." If you were to type **paper***, *COMPASS* returns all entries whose description begins with the word "paper."

Step	Action
6	Click ☑ *Enter*.

A *Hit List* of paper types appears.

Figure 27: Hit list of paper types

No entry exists for certificate paper. However, before we look for a contract against which to purchase certificate paper, we want to view more details on something that **is** in stock.

Step	Action
7	Double-click ***Paper Recycled 8 1/2″ X 11″ White 3 Hole Pun***.

The hit list closes and the ***Display Warehouse Material stocks on hand*** screen returns, showing the ***Material number*** for this selection, **7615**.

Figure 28: Display Warehouse Material stocks on hand screen with Material number 7615
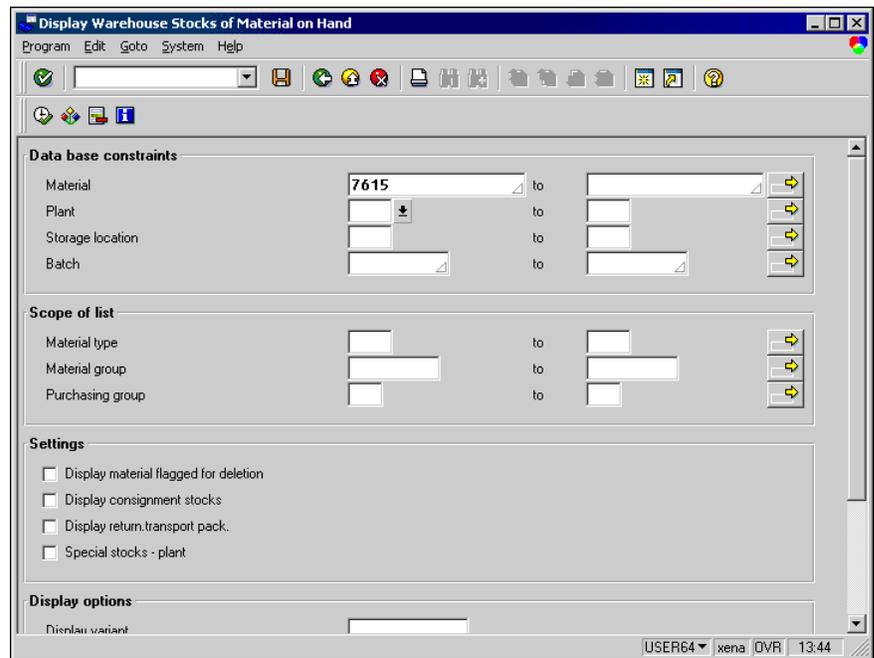
Step	Action

8   Click ⌖ *Execute*.

The ***Display Warehouse Stocks of Material on Hand*** screen appears, displaying the quantity of stock on hand.

```
Display Warehouse Stocks of Material on Hand                    _ □ ×
List  Edit  Goto  Settings  System  Help
 ⊘  [          ▼] ▣ │ ◐ ◑ ◙ │ ▤ ▥ ▦ │ ⟲ ⟳ ⟰ ⟱ │ ▨ ▣ │ ⊘
 |◀ ◀ ▶ ▶|  ▦ ▤ ▽ ▽ Σ ⅝ ▣  ▣ Choose  ▣ Save  ▣

Material              Material description              Plnt Name 1
SLoc  Unrestr.-use stock Unit   Stock in transfer   In quality insp.     Restricte
              Total value Curr.         Total value      Total value        Total

7615              PAPER RECYCLED 8-1/2"X11"WHITE 3HOLE PUN SC   Sacramento County
GS1                640  RM                  0                  0
               1,785.60  USD               0.00               0.00

* Total
                   640  RM                  0                  0
               1,785.60  USD               0.00               0.00

                                                    TRG (1) (020)▼ xena OVR  15:40
```

9   To close this inventory entry and return to the Compass ***Main*** menu for the next procedure (where you will look for a contract to use in ordering the certificate paper), click ◐ ***Back*** on the current screen.

10   On the ***Display Warehouse Material stocks on hand*** screen that returns, click ◐ .***Back*** again. ***The Purchasing Organization A*** screen returns.

Next you will do a search for a contract on the intranet. When you return to *COMPASS*, you will want to be on this screen.

Ordering from a Contract

County stores do not generally stock certificate paper. So next you want to search for a contract against which you could create a CSO. It is possible (though unlikely) that the County already has an itemized contract specifically for certificate paper. It reality, more likely it has an open item contract with a vendor of general office supplies who stocks certificate paper or with a paper vendor who stocks a variety of specialty papers. (For line item and open contracts contracts, see page 19.) For this process, you will only consider paper vendors.

The CSO procedure involves the following components:

1. Locate a contract for the item you wish to purchase. Purchasing's intranet (http://gs.pwa.co.sacramento. ca.us/purchasing/ContractSearch.asp) contains a search engine, updated daily, from which you can find a contract for an item. Alternatively, *COMPASS* shared folders *(Office>Folders>Shared Folders>MM>MM PURA Cheat Sheets)* contain a spreadsheet, updated monthly, listing of all currently valid contracts.

2. Determine if you can use the contract. Line item contracts must be for the items or for a type of item (for example, office supplies) you wish to purchase. Its term must be current, and its limit must not have been exhausted. (That is, for an itemized contract, all the items have not been purchased; for an open contract, all of the value has not been spent.)

3. Create the CSO in *COMPASS* to order the item.

| Step	Action
1	To locate a contract, open your web browser, Microsoft Internet Explorer.
2	In the *Address* field, type **http://gs.pwa.co.sacramento.ca.us/purchasing/ ContractSearch.asp**

Step	Action
3	Press *<Enter>*. The *Purchasing Division County wide Contract Search* page appears. Figure 29: Purchasing Division County wide Contract Search page
4	You can search by *Vendor name*, *Commodity*, or *Contract Number*. Select **Commodity**.
5	Type **Paper**.
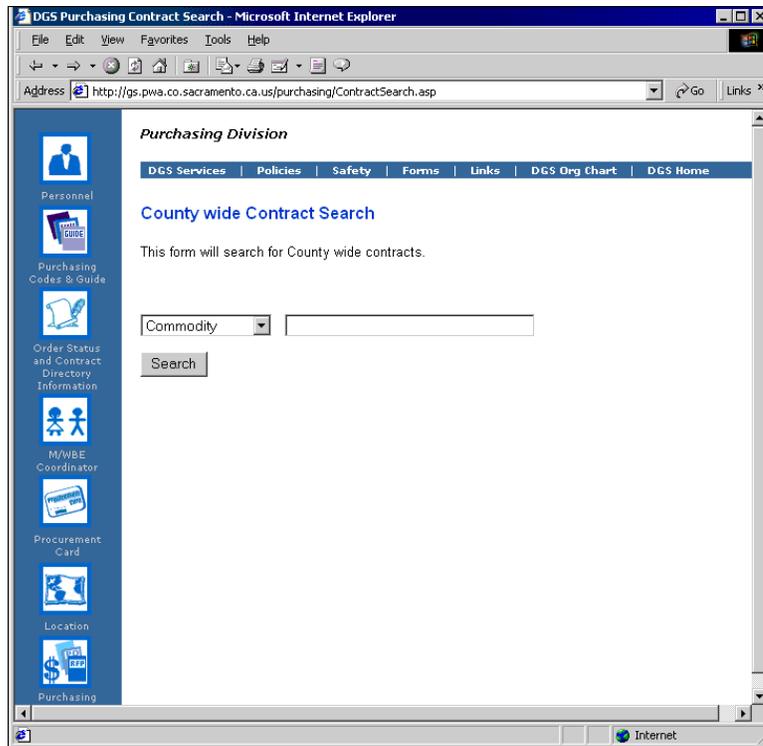
Trainer's Notes:
This search does not require wild cards.

Step	Action
6	Click [Search] **Search**.

The current contracts for that item appear.

Figure 30: Current contract list
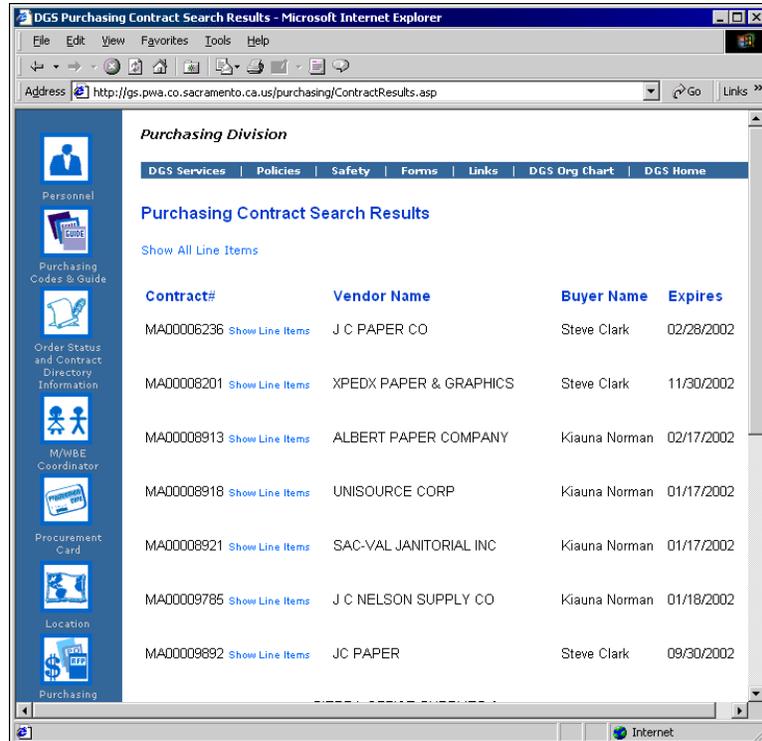
In a real work situation, you would copy the contract number for a few of these contracts that might be applicable.

Step	Action
7	Return to *COMPASS*. The **Purchasing Organization A** screen is still visible.

Figure 31: Purchasing Organization A screen
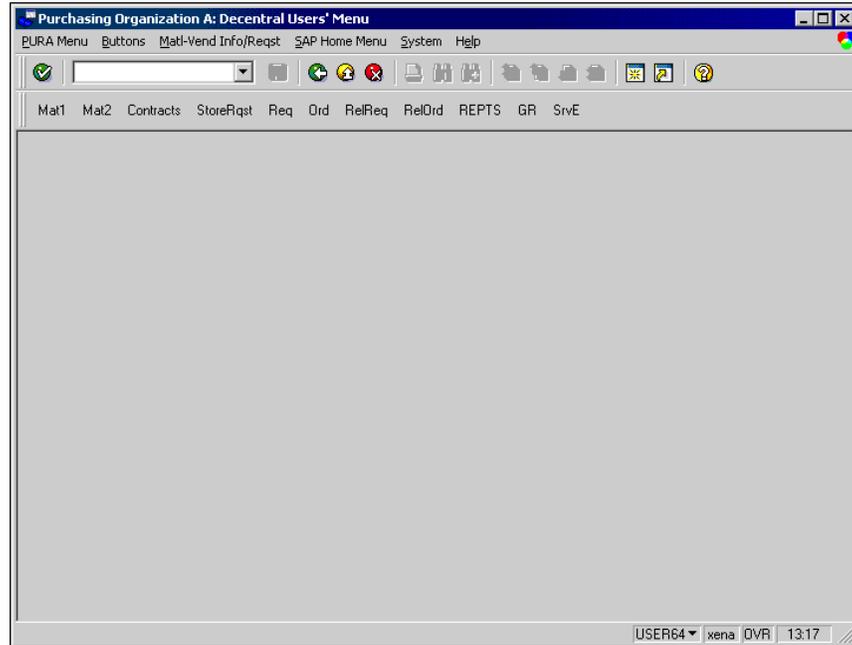
Step	*Action*
8	Click Contracts ***Contracts.***

The ***Purchasing Documents per Document Number*** screen appears.

Figure 32: Purchasing Documents per Document Number screen
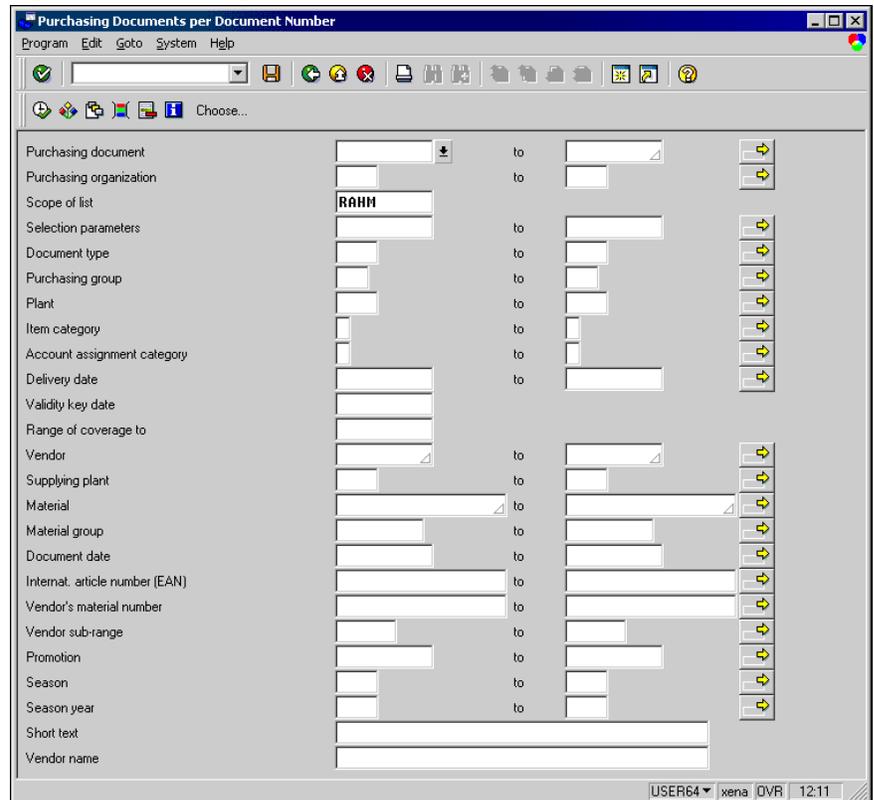
Step	Action

9 In the ***Purchasing Document*** field, type **MA00011818** and press **<Enter>**.

In this example, we assume this was the only open contract for paper products, and that on investigation you found that none of the general office supply companies that have open contracts stock certificate paper.

The details of the contract you selected appears.

Figure 33: Details of contract MA00011818

10 The information for this contract indicates that it is for several types of paper, but none of them are certificate paper.

Since no contract exists for the item you wish to purchase, you can proceed to purchase it by completing an ***LPO***.

However, if this contract had included certificate paper, you could place an order against this contract.

11 To close this contract detail list, click ![Back icon] ***Back*** on the current screen. The ***Purchasing Documents per Document Number*** screen returns.

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Step	Action
12	On the ***Purchasing Documents per Document Number*** screen, click .***Back*** again. ***The Purchasing Organization A*** screen returns.

Next you will do a search for a contract on the intranet. To create an LPO, you will continue from here.

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Creating a DFO
or LPO

If an item is not is stock in a County store and no contract to purchase it is on file, then you can purchase it with a DFO or LPO. The *COMPASS* process for creating a DFO and an LPO is virtually the same.

Before you begin, you must know:

- *What you want to order*—specific item identification information or catalog number; for this example, you will order catalog item# **12345 –Certificate Paper**
- *Vendor name or number*—for this example, you will order from Paper Direct, whose vendor number is **609229**
- *Item cost*—$**23** per box

The following procedure outlines creating an LPO.

Step	Action
1	On the *COMPASS **Purchasing Organization A: A Decentralized Users Menu*** screen, click [Ord] ***Ord***.

Ord is an abbreviation for *Order*.

The ***Create Purchase Order: Initial Screen*** appears.

Figure 34: Purchasing Organization A: A Decentralized Users Menu screen
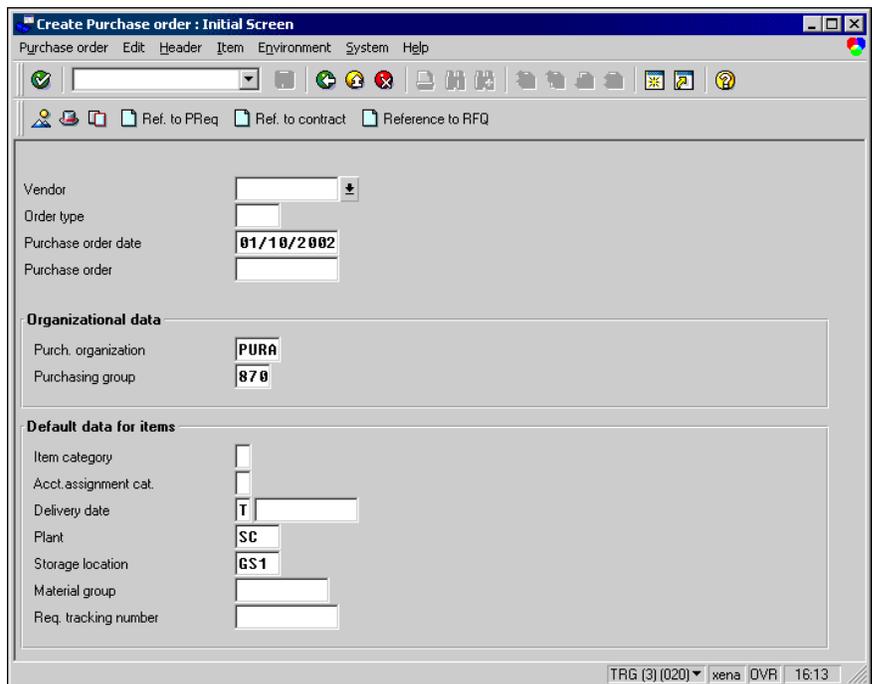
You could also have arrived at this screen by entering a shortcut in the Command field on the *COMPASS **Main*** screen. The shortcut for the ***Create Purchase Order: Initial Screen*** is **ME21***.*

Step	Action
2	Type or select data in this screen as follows:

Field	Entry	Explanation
Vendor	**609229**	This is the Vendor code for Office Depot
Order type	**LPO**	If this were a DFO, you would indicate it here; otherwise the procedure is the same
Purch organization	**PURA**	*COMPASS* "remembers" the entry from your previous use
Purchasing group	**870**	Code for **OCIT**
Acct Assign Cat	**K**	Code for a **Consumption Account**; indicates an item you consume, rather than an asset
Delivery Date	**Two weeks from today**	
Plant	*SC*	Code for *Sacramento County*
Storage Location	**OFF**	Code for **Offsite**; site to which to deliver goods
Materials group	**7500**	Code for *Office Supplies*

Step	Action
3	Click ✅ **Enter**.

The **Create Purchase Order: Item Overview** screen appears.

Figure 35: Create Purchase Order: Item Overview screen

Type or select data in the first row of this screen as follows:

Field	Entry	Explanation
Material		Leave blank
Short text	**12345 – Certificate paper**	A brief description of the item. 12345 is a catalog number; Include enough information to make very clear exactly what you want to order
PO Quantity	**10**	
OUr	**BX**	Boxes
Net Price	**23**	The price per box

Step	*Action*
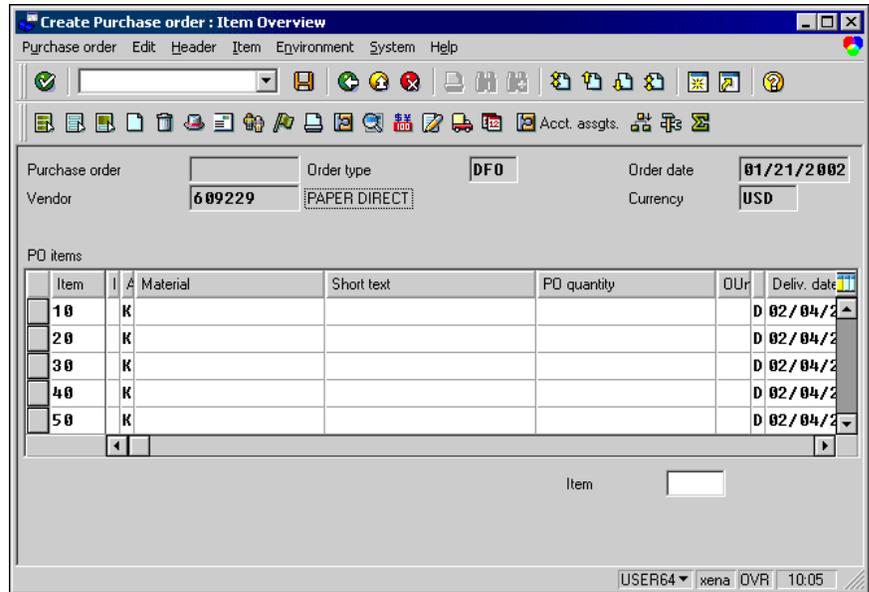
Trainer's Notes: Point out that they did not "make a mistake and leave out a field" here. This is the normal COMPASS workflow.

4 Click ![icon] *Enter*.

The *Create Purchase Order: Item #* screen appears with a message in the status bar indicating you did not enter data in a required field. A *?* (question mark) appears in the tax code field indicating an entry is required.

Figure 36: Create Purchase Order: Item # screen
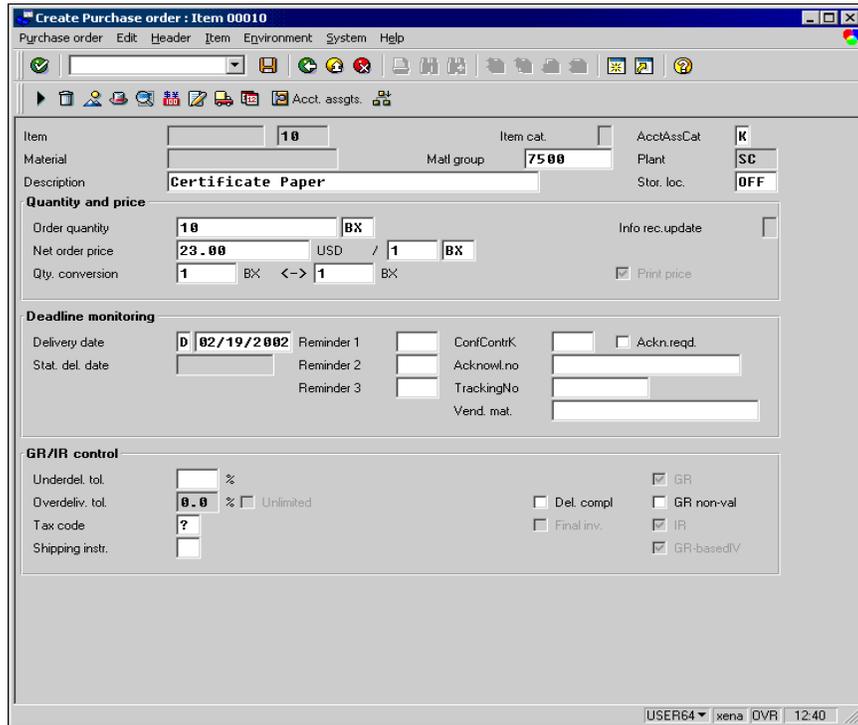
Field	Entry	Explanation
Tax Code	**P1**	This item is taxable

Step	Action

5 Click ✅ *Enter*.

The ***Account Assignment for Item #*** dialog box appears.

Figure 37: The Account Assignment for Item # dialog
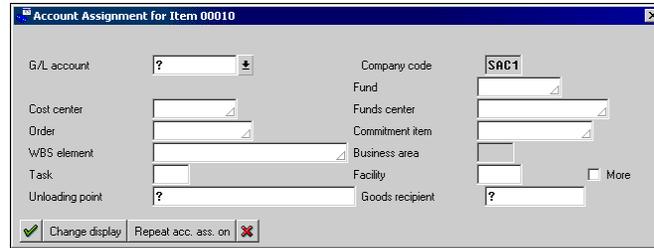
Type or select data in this screen as follows:

Field	Entry	Explanation
G/L Account	**20203600**	This is the account number for office supplies
Cost center	**7607625000**	This is cost center for *COMPASS* accounts
Unloading Point	**10898**	A code for the delivery location. 10898 indicates the OCIT building loading dock
Goods recipient	**abc 1-2345**	Enter your initials and the phone extension in the format **abc 1-2345**.

Step	Action
6	Click ✅ *Enter*.

The **Create Purchase Order: Item Overview** screen returns.

Figure 38: Create Purchase Order: Item Overview screen
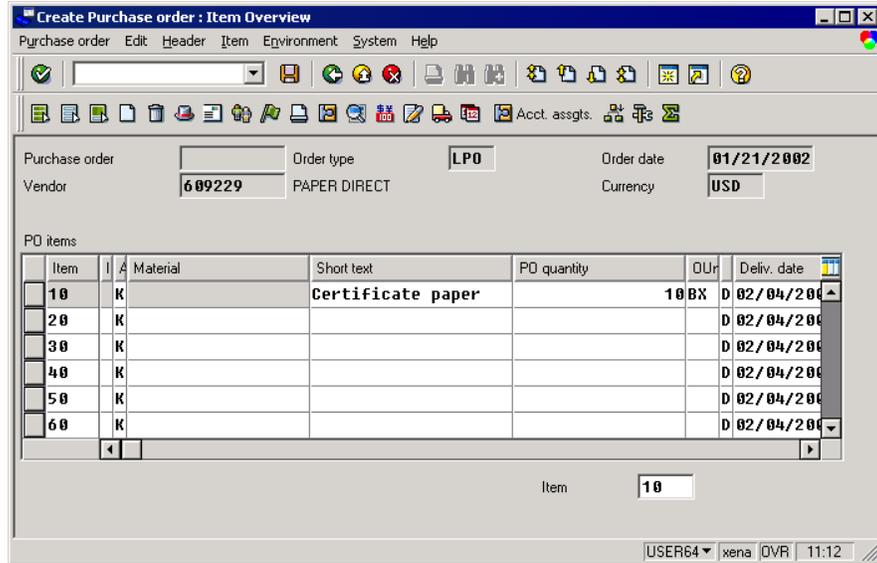
Step	Action
7	Click 🖫 *Save*.

The ***Purchasing Organization: Decentralized User*** screen returns, indicating a competed purchase order number.

Completed Purchasing Organization: Decentralized User screen
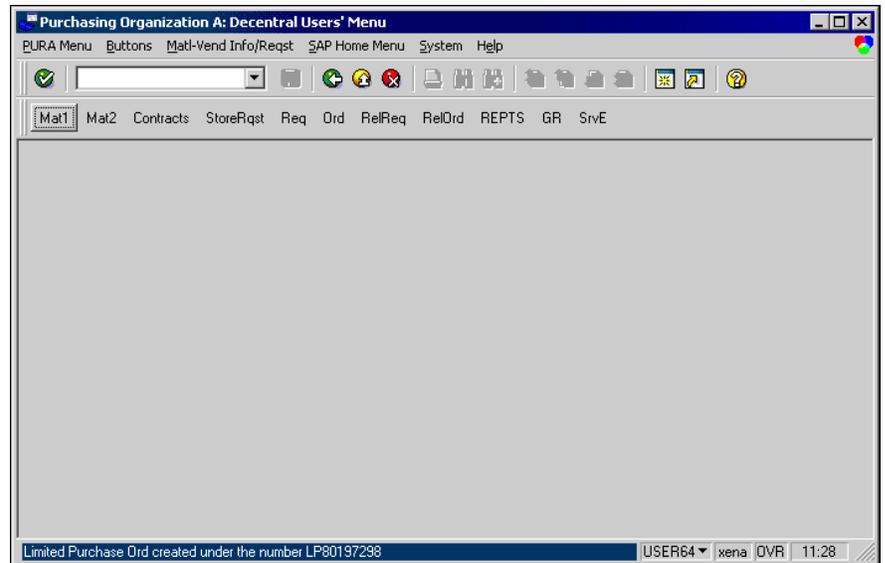
Trainer's Notes: In a real work situation, you would now enter a 90 release and then someone else would enter a 91 release. From the COMPASS Main screen you can enter shortcut ME28 to show the Rlease (Approve) Purchasing Document screen and show how to enter releases.

Before you continue with the next exercise, copy this number.

Effect on the Budget

Now that you have entered an LPO to order the certificate paper, your budget will reflect a change. Return to *Starting with a Budget* on page 54, and repeat the procedure.

The budget for this fund now shows an increase in the *Commitment* column and a decrease in the *Availables* column in the amount of the LPO you created.

Figure 39: Revised budget report

Exercise 6: Who Wants to be a Buyer?

You instructor will ask a few questions based on the material in this lesson.

What's Next

Now, you are ready for the next level course, which describes specific procedures for using *COMPASS* throughout the purchasing process.

Trainer's Notes: Sample Questions
What does the apprebreviation CSO (also DFO, LPO) stand for?

CSO - Contract Shipping Order
DFO - Department Field Order
LPO - Limited Purchase Order

When do you useCSO (also DFO, LPO)?

CSO - To order an item on a contract
DFO - Order items not on contract, over $300, under $5000
LPO - Order items not on contract, under $300

What do you do if you can't use any of these instruments?

Create a requisition for PO

Add any other questions you like, if time permits.

What's Next

Now that you've completed this course, you understand the basics of purchasing in the County of Sacramento administration. You've learned:

- Purchasing basics
- The roles and responsibilities of those involved in the purchasing process
- Purchasing processes
- *COMPASS* modules involved in purchasing processes

You now have the background to learn the specific tasks you will perform in *COMPASS* that are related to your own job. These tasks are taught in additional purchasing courses.