Effective Date: September 15, 2009
Supersedes: Business Procedure 4.19 dated April 1, 2006
Applies To: Colleges and Systems Office
Procedure Responsibility: KCTCS Purchasing

Deferred Purchases

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Section 4.19.1 – General

A. "Deferred Purchase" means a procurement transaction whereby a business unit requests a purchase order to be issued using Fund 01 or 11 funds for the next fiscal year. Deferred purchases are permitted due to the requirements of delivery date, lead time or other extenuating circumstances.

B. Deferred purchases cannot be used with "ALLPER" fund groups, i.e., Fund 61 or Fund 12. Purchases using these fund groups will be processed using the existing standard purchasing processes which allow for transactions to cross fiscal years using the "ALLPER" budget period functionality in PeopleSoft.

C. Deferred purchases are only allowed during a specified time period established by the KCTCS System Director of Business Services in the KCTCS Year-End Closing Schedule. Deferred purchases shall not be used in lieu of normal purchasing procedures for commodities that can be purchased and delivered under normal time constraints not crossing fiscal years.

D. The business unit requesting a deferred purchase shall ensure that spending authority is available in the next fiscal year to support the expenditure and for the requisition to pass budget checking requirements. The KCTCS Budget Office shall establish a pre-determined amount of budget authority at the appropriation level to charge all deferred purchases for each business unit. The business unit shall establish budgetary spending authority for the appropriate chartstring to charge specific deferred purchases.

E. After the close of the "old" fiscal year, the budget authority (appropriation level) of the business unit making the deferred purchase will be adjusted in the "new" fiscal year to reflect the amount advanced for deferred purchases.

Section 4.19.2 – Establishing the Need for a Deferred Purchase

A. Business units shall notify KCTCS Purchasing via email with detailed information supporting the need for a deferred purchase. KCTCS Purchasing shall make a determination and advise the business unit as to how the transaction will be processed for the required commodity.

B. Pending KCTCS Purchasing approval for the deferred purchase, the business unit shall notify KCTCS Purchasing of the requisition number after it is approved by the appropriate business unit administrator in PeopleSoft workflow.

Section 4.19.3 – Processing a Requisition for a Deferred Purchase

A. Requisitions for deferred purchases shall be clearly marked with the statement "Deferred Purchase" entered as the first text in the description of all line items on the requisition. Deferred purchases shall not be co-mingled with items that are not deferred purchases. *Note:* A separate requisition is required to differentiate between deferred and regular purchases.

B. In addition to the description, the requestor shall select "Deferred" as the category type in the PeopleSoft requisition process. Requestors are required to enter July 1 of the appropriate calendar year as the accounting date when creating requisitions for deferred purchases. Contact KCTCS Purchasing for detailed desk procedure for requestors and business officers to follow for this process.

C. Once approved and initial processing is completed in PeopleSoft, deferred purchase orders shall be rendered to a status that prevents further processing until after July 1. No receiving entries or processing of payment vouchers shall be allowed in regard to a deferred purchase order in PeopleSoft until after July 1.

Section 4.19.4 – Deliveries for a Deferred Purchase

A. Deliveries for deferred purchases shall not be accepted before July 1. Deferred purchase orders shall include a comment "Do Not Deliver Before July 1" clearly marked on the purchase order that is transmitted to the vendor.

B. KCTCS Purchasing shall be notified immediately via email by the business unit if a vendor has inadvertently made a delivery against a deferred purchase order before July 1.

Section 4.19.5 – Processing Payment for a Deferred Purchase

A. After July 1, KCTCS Purchasing shall render any previously established deferred purchase orders to a status that will allow receiving entries to be entered and payments to be processed in PeopleSoft.

B. Business units shall process receiving entries in PeopleSoft after July 1 for deferred purchases in accordance with KCTCS business procedures.

C. KCTCS Accounts Payable shall process payments in PeopleSoft after July 1 for deferred purchases in accordance with KCTCS business procedures.

Section 4.19.6 – Creating Deferred Requisitions in PeopleSoft

A. When entering a requisition within PeopleSoft, the "Requisition Date" will default to the day that the requisition is created. ***Do not change this date.***

B. In order to create a deferred requisition to charge to the new fiscal year, the requester will need to change the date in the "Accounting Date" field to July 1, 20XX, where XX is the new fiscal year, e. g., "07". The "Budget Date" on the "Distribution**"** will then automatically default to the same date. (See Screen below)

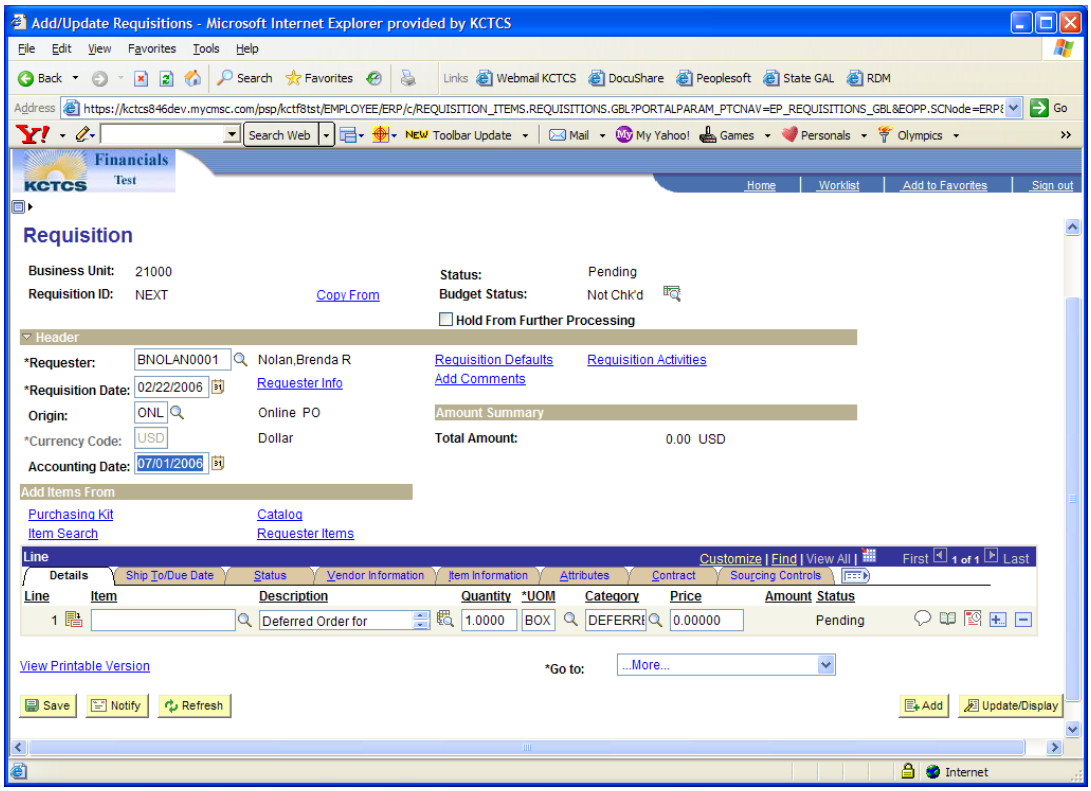
C. When selecting the Category choose "**DEFERRED"**. This will be used for tracking Requisitions/Purchase Order's created for the new fiscal year.

Please insert the following text on each line item in front of the description of the item:

"Deferred order for delivery to be made after July 1, 20XX." *Enter item description***.**

The requester may modify the delivery date of July 1, 20XX to the actual date you would like to have delivery made**. (Example: "Deferred order for delivery to be made August 15, 20XX".**) This information will help to ensure the vendor does not ship the order earlier than July 1, 20XX.

A standard comment for deferred requisitions has been created and this comment will need to be entered into the comment field. (See PeopleSoft print screens below for details.)


Add/Update Requisitions - Microsoft Internet Explorer provided by KCTCS
Financials
Test
Requisition
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Requisition ID: NEXT
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Budget Status: Not Chk'd
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Header
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Add Comments
Amount Summary
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Add Items From
Purchasing Kit
Catalog
Item Search
Requester Items
Line
Details
Ship To/Due Date
Status
Vendor Information
Item Information
Attributes
Contract
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Refresh
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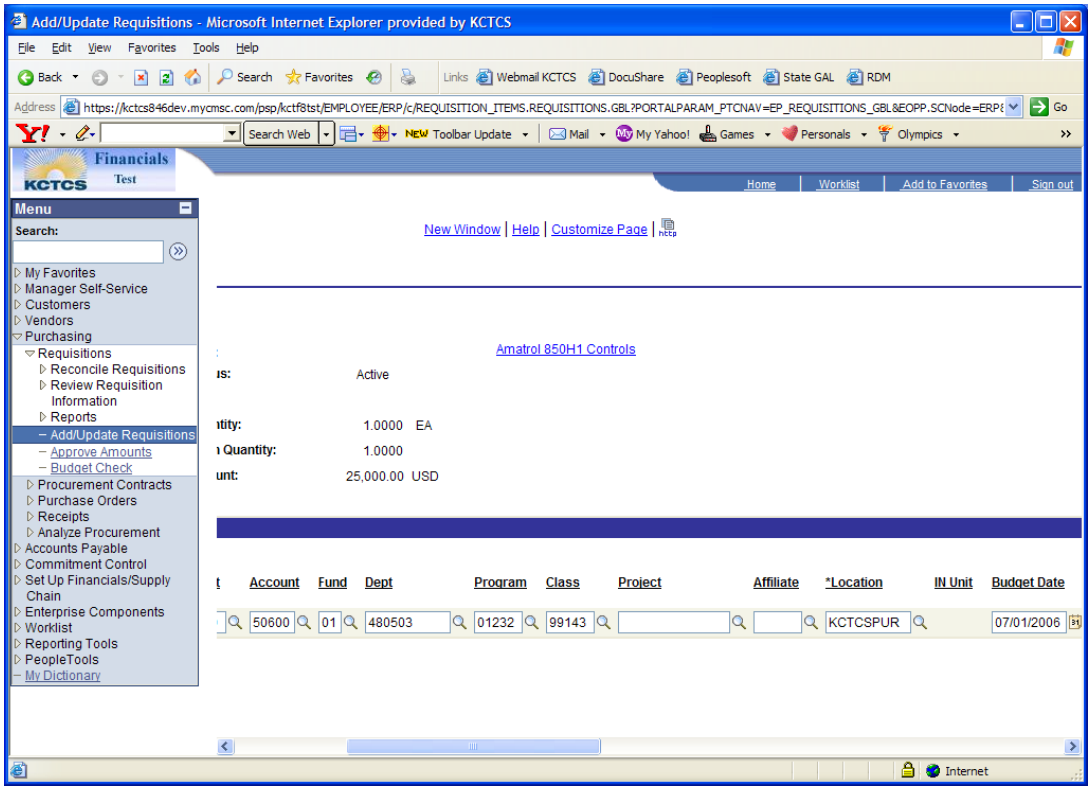
Update/Display


Add/Update Requisitions - Microsoft Internet Explorer provided by KCTCS
Financials
Test
Menu
Search:
My Favorites
Manager Self-Service
Customers
Vendors
Purchasing
Requisitions
Reconcile Requisitions
Review Requisition Information
Reports
Add/Update Requisitions
Approve Amounts
Budget Check
Procurement Contracts
Purchase Orders
Receipts
Analyze Procurement
Accounts Payable
Commitment Control
Set Up Financials/Supply Chain
Enterprise Components
Worklist
Reporting Tools
PeopleTools
My Dictionary
New Window | Help | Customize Page
Amatrol 850H1 Controls
Active
1.0000 EA
1.0000
25,000.00 USD
Account
Fund
Dept
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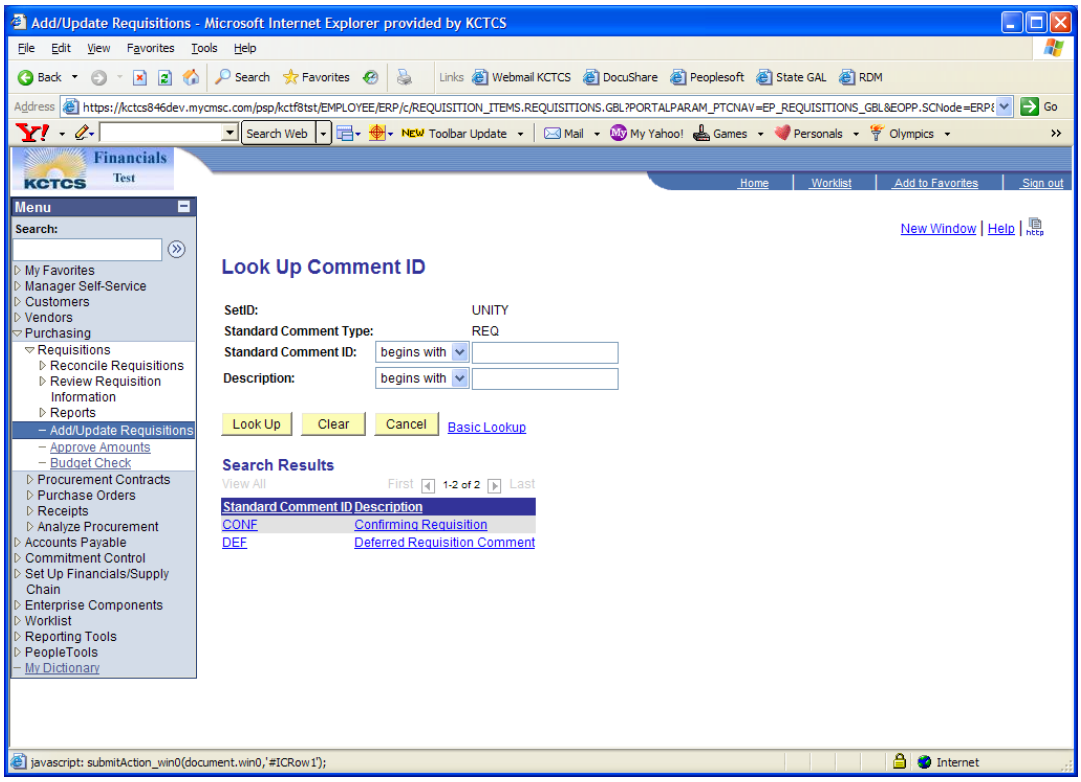
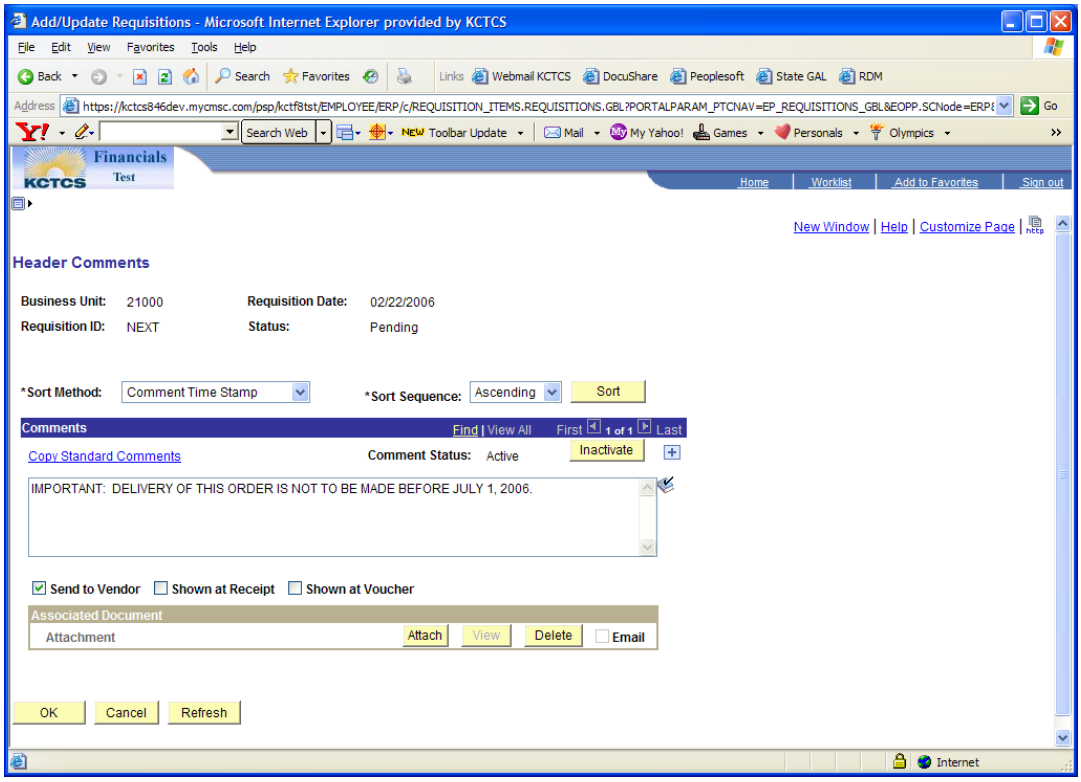
KCTCSPUR
07/01/2006





End of Procedure