



KFS PURCHASE ORDER AND PURCHASE AGREEMENTS

PROCESSING AMENDMENTS

OCTOBER 2015

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Today's Agenda

1. What is an Amendment?
2. Where is the Amendment Document?
3. When is an Amendment REQUIRED?
4. When is an Amendment NOT REQUIRED?
5. Why aren't I able to process an Amendment?
6. Amendment Notes are Important!
7. Routing
8. Best Practices
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WHAT is an Amendment?

- An **Amendment** is a change order document issued against a previously-created **Purchase Order (PO)** or **Purchase Agreement (PA)** document (or in some cases against a previously-created **PO Amendment** or **PA Amendment**)
- Changes frequently seen on **Amendment** documents include:
 - **Account Changes (Removal/Addition)**
 - **Quantity Increases**
 - **Addition of New Item Lines**
- An **Amendment** allows a KFS user to change most of the information on the previous version of the PO and PA document



WHERE is the Amendment Document?

- There isn't a document named "**Amendment**" on the KFS Main Menu
- From the **Document Search** screen in KFS, locate the **Purchase Order (PO)** or **Purchase Agreement (PA)** that you wish to amend
- There will be an **AMEND** button at the bottom of the PO or PA
- Any KFS user can process an **Amendment** (not limited to the initiator of the PO or PA or approvers on those documents)



When is an Amendment **REQUIRED** against a PO?

- **Difference is more than \$100 GREATER between PO and Invoice** (an **Amendment** does not need to be processed if the difference is \$100 or more **LESS** than the PO amount)
- **Additional quantities** of an item line have been requested/received (not required if quantities are **LESS**)
- **New items** are being added to a **Purchase Order** (e.g., adding a printer to a **Purchase Order** for a computer server)
- **Changing Item Type** on PO from **Qty** to **Non-Qty** or vice-versa



WHEN is an Amendment REQUIRED against a PA?

- You wish to extend the period that the **Purchase Agreement** can be used (extending **End Date**)
- You want to change the amount allowed on an **Automatic Purchase Order (APO)** processed against the **Purchase Agreement** without routing to **Contracting Services**
 - If the **APO Limit** is \$10,000, and you want **Purchase Agreements** up to \$20,000 to bypass Contracting Services (become an APO), you will need to process an **Amendment** to increase the **APO Limit** to \$20,000
- The amount paid against the **Purchase Agreement** has been exhausted, and you wish to continue orders/payments against it
 - The **Not to Exceed Amount** field will need to be updated with the new desired amount
- New **Commodity Codes** or **Organization Codes** should be added to the agreement to allow additional commodities to be purchased/additional organizations (departments) to use the **Purchase Agreement**

When is an Amendment NOT Required against a PO?

- **Changing account.** You can change the account(s) directly on the **Payment Request** document, *as long as you are not changing to a Federally-funded account.* If changing to a Federally-funded account, you will need to process an **Amendment** first before processing the **Payment Request** document.
- **Cost difference is less than \$100 between PO and Invoice.** In that case, the payment adjustment can be made right on the **Payment Request** document.



WHEN is an Amendment NOT Required against a PO?

- **Changing Sales Tax to Use Tax Calculation and Vice-Versa.** There is an indicator on the **Payment Request** document that allows you to change the **type** of tax (**Sales** or **Use**) that calculates on the **Payment Request** document.
- **Voiding or Closing Order.** You can void or close an order by clicking on the **Void** or **Close** button at the bottom of the **Purchase Order** document. The **Void** button will appear if no payments have been received against the **Purchase Order**, and the **Close** button will appear if any payments have been made against it.



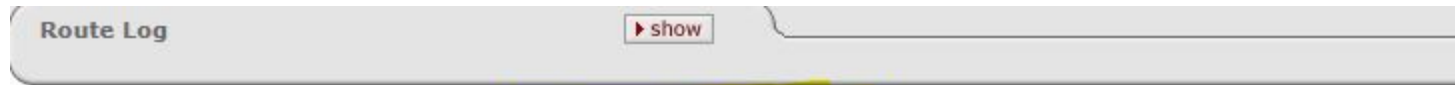
WHEN is an Amendment NOT Required against a PA?

- **Changing the Account(s) specified on the Purchase Agreement.** The account(s) are only used on the **Purchase Agreement (PA)** for routing purposes; no encumbrances are created.
- If you wish to use a different account, you can enter the desired account on the **Purchase Order** issued against the **Purchase Agreement** document OR enter the desired account on the **Payment Request** document (keeping in mind the restrictions previously mentioned)



Why Aren't I Able to Process an Amendment?

- **Purchase Order or Purchase Agreement is Closed**
- Click on the **Open Order (PO)** or **Reopen Agreement (PA)** button at bottom of document; once PO or PA is reopened, you can then process an **Amendment**



Why Aren't I Able to Process an Amendment?

- KFS will generate an error message and will not allow an **Amendment** to be processed when:
 - Another **Amendment** against that PO or PA is enroute
 - Another **Amendment** against that PO or PA is in SAVED status
 - **Payment Request** against that PO or PA is currently enroute
 - Once the enroute or saved document is either fully approved, disapproved, or canceled, the **Amendment** can then be processed

Amendment Notes are IMPORTANT!

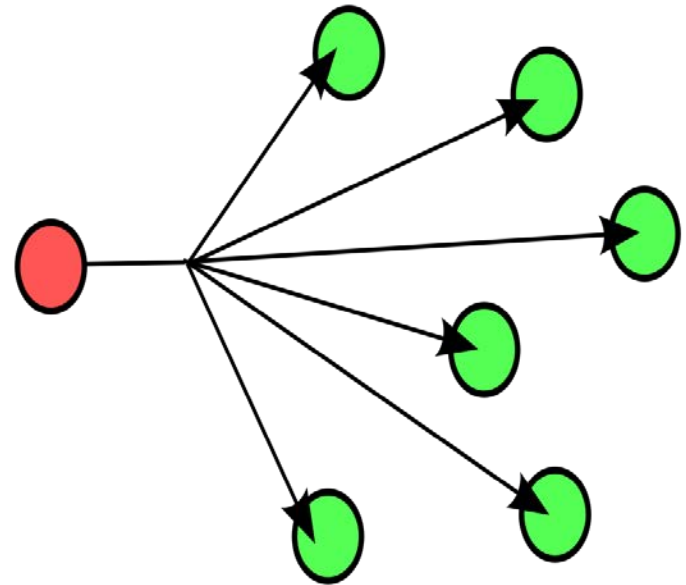
- When clicking on the **Amend** button, a question prompt will ask **why** you are amending the order
- The information in this field will automatically append to the **Notes and Attachments** section of your **Amendment** document
- The note should clearly indicate **WHAT** you are changing (e.g. adding an additional printer, changing account, etc.)
- This information is helpful for the document approvers/reviewers to ensure that what you indicate you wanted to do is what you've actually done!

Are you sure you want to **Amend** this Purchase Order?

* Please enter the reason below:

Amendment Routing

- The **Amendment** will go through the same routing as the original PO or PA, unless you have added a new commodity code(s) or entered accounts that have different approvers from the original one(s).
- **Amendments** changing ONLY accounting line information will ONLY route to the **Fiscal Officer/Delegate (and any applicable organization review routing)** for approval and will **not** route to Contracting Services.



Amendment Best Practices

- **Timing!** If processing an **Amendment** against a **Purchase Order**, the **Amendment** should be processed and fully approved **BEFORE** the **Payment Request** is processed, in order to ensure that the data on the **Payment Request** document is accurate
- **Use the Inactivate button sparingly!** The **Inactivate** button should **ONLY** be used if the specific item has **NOT** already been paid against **AND** is **NOT** going to be received on a future invoice.
 - If a payment (**Payment Request**) has already been made against a specific line item, do **NOT** click the **Inactivate** button or it can cause encumbrance issues with the applicable PO and is **NOT** recommended



Stay Informed!

- Visit the **Amendment** Informational Page at:
<http://afs.ucdavis.edu/systems/kuali/document-help/pur/amendment-doc.html>
- Sign up for the FIS user list at
<http://afs.ucdavis.edu/resources/email-subscribe-form.html>





Thank You for Your Time!

