



Module 4: Materials Management Standards for SC Procurement Processing



Upon completion of this course module, you should better understand the key Materials Management concepts supporting SC Public Procurement processing:

- Suppliers and Sources of Supply
- Vendor Registration
- National Institute of Governmental Purchasing (NIGP) Codes
- Product Category
- Purchase Orders, Contracts and Document Types
- Master Data

Introduction

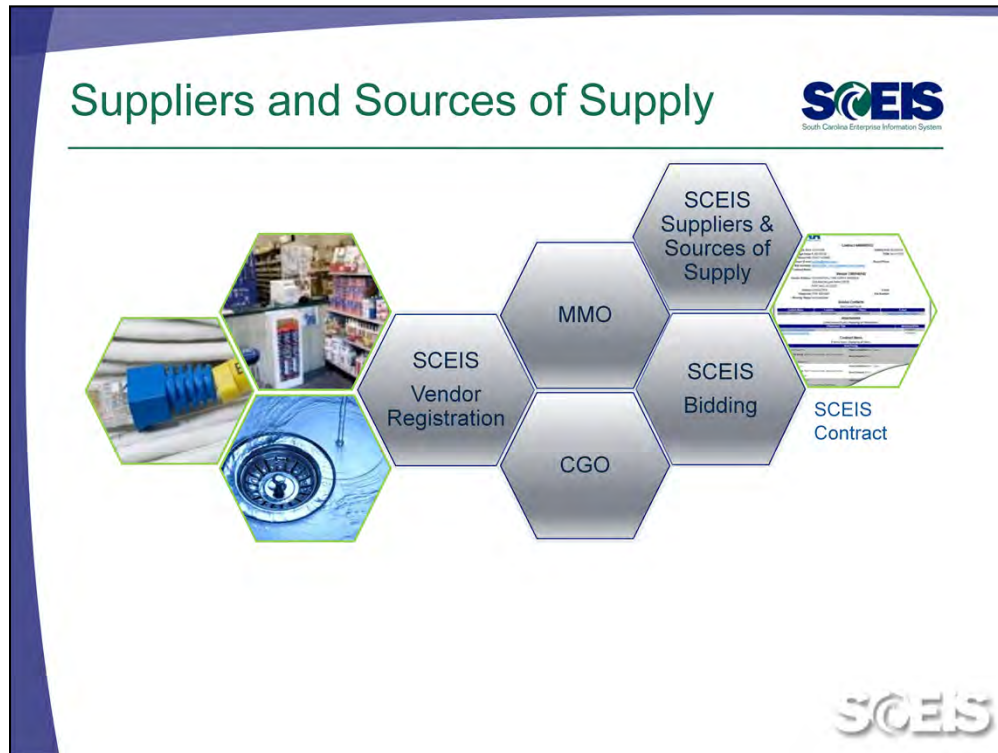


The integrated functions of SCEIS MM enable standard tools for performing South Carolina Procurement inputs and outputs.

SCEIS

This course module discusses the integrated functions of SCEIS MM that enable standard tools for performing SC Procurement.

The inputs and outputs of these functions flow within an agency, between agencies, between agencies and Central Government, and between agencies and vendors.

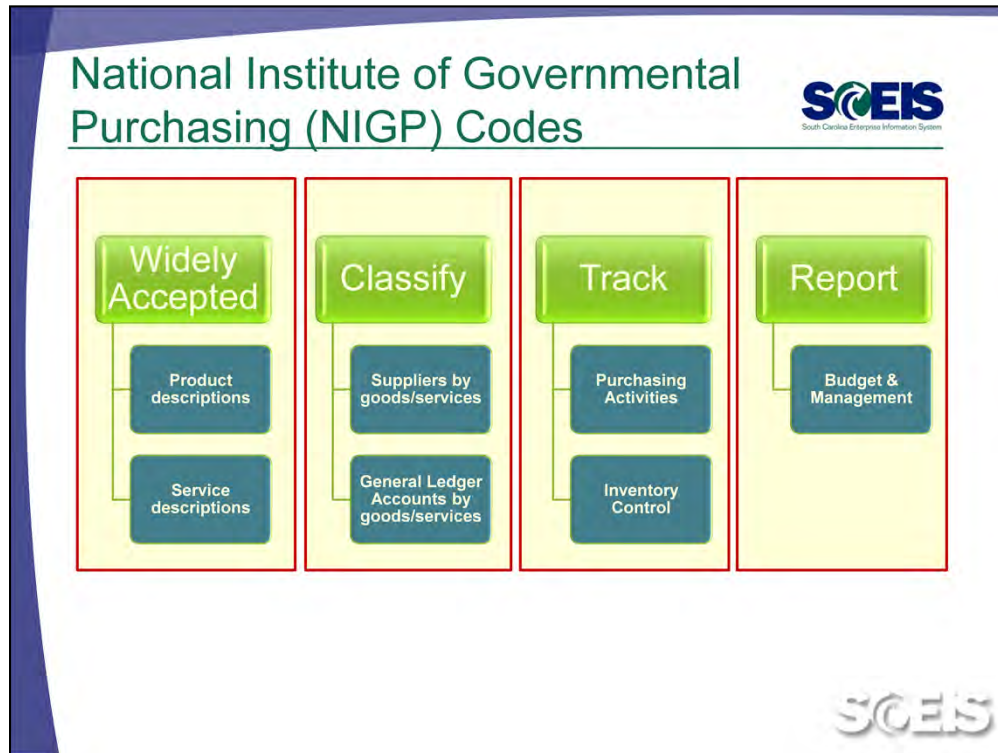


Vendors seeking contracting opportunities with agencies must register their businesses and product categories using the SCEIS Vendor Registration Process.

Vendor information and information about product categories are administered by the Materials Management Office and the Comptroller General's Office.

Validated vendors are Suppliers, who can be identified as sources of prospective supplies in the SCEIS Bidding Process.

The output from the SCEIS Bidding Process is a SCEIS Contract, pursuant the SC Code and Regulations.



The National Institute of Governmental Purchasing Codes, or NIGP Codes, is a comprehensive, proprietary database of 5-digit codes that identifies and describes a variety of product and service categories.


Materials Management uses NIGP Codes as the primary key that join widely-accepted product and service description with processing inputs and outputs.

MM links NIGP Codes to Suppliers and General Ledger accounts, by goods and services.

NIGP Codes enable tracking of Purchasing activities and Inventory Control.

The use of NIGP Codes eases reporting and management decisions such as financial accounting of procurements.

NIGP in the Procurement System



Number 2000846789
Document Name TRM30 PR215 Exercise 3 Service Award Pin
Stat

Basic Data

Percentage:

Account Assignment Category:

Cost Center:

Fund Center:

Order:

Grant:

Functional Area:


Controlling Area:

General Ledger Account:

Fund

Commitment Item

Unfunded Accounting Line



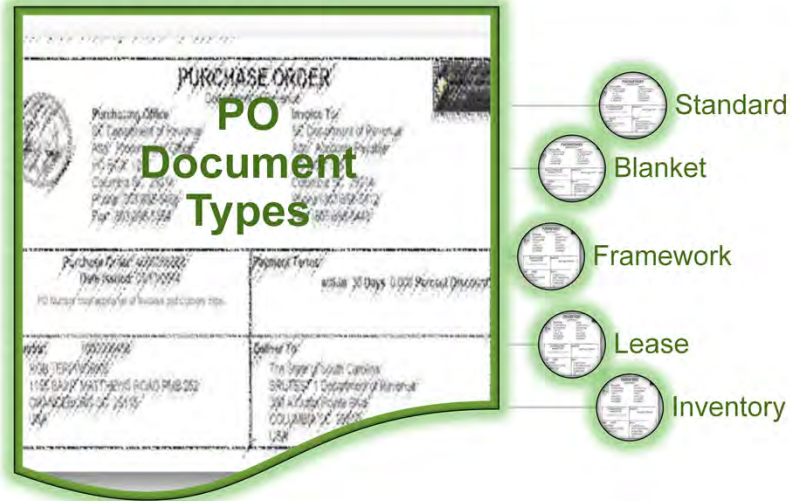
In the SCEIS Procurement system, for example, in a Shopping Cart request for “Service Award Pins 10 Year”, Item Type is automatically identified as Material.

The NIGP/Product Category Code is auto-entered as 08065 and the NIGP standard description is shown as “Service Award Specialty Type.”

Additional MM data can be seen such as South Carolina’s Company Code and the Purchasing Group of the Buyer(s) who will receive this approved Shopping Cart.

Under the Account Assignment tab, where financial accounting information for the procurement is entered, the General Ledger account is automatically entered as 5031510000.

Purchase Order Document Types and Main Categories



The CGO policy on Purchasing/Payment Document Types describes a Purchase Order as “the preferred procurement instrument when a government unit orders or procures supplies or services from a vendor.”

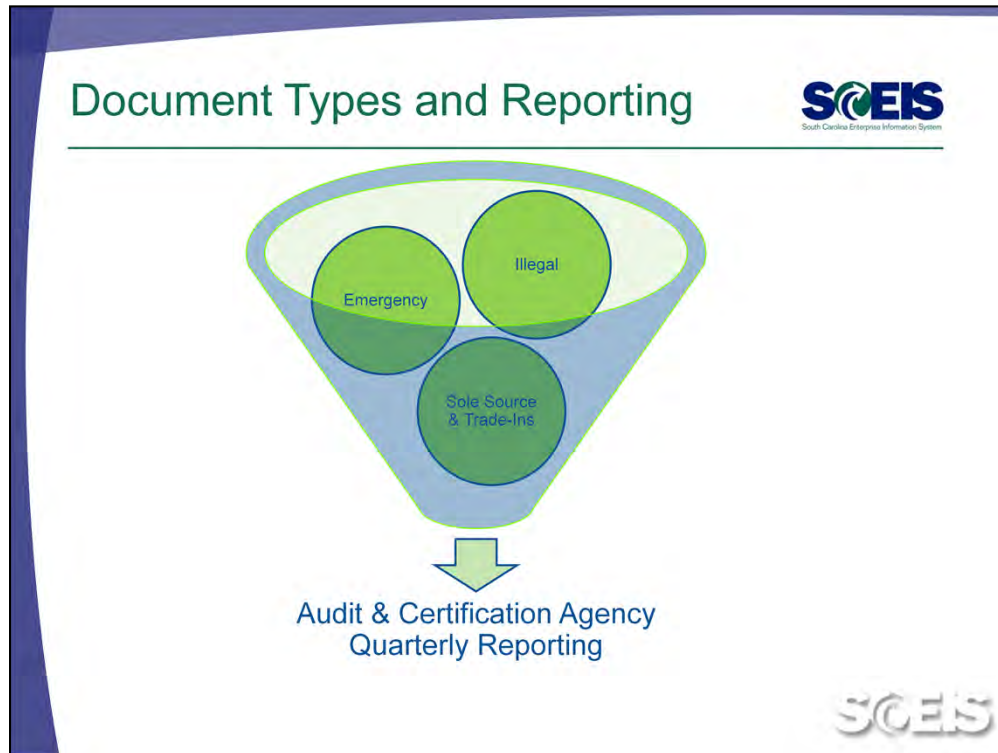
This comprehensive policy also describes the characteristics of each of the five main categories of Purchase Order Document Types and the intended use of each category:

1. Standard Purchase Order Document Types
2. Blanket Purchase Order Document Types
3. Framework Purchase Order Document Types
4. Lease Purchase Order Document Types and
5. Inventory Purchase Order Document Types

Additionally, the policy outlines the information necessary to create a Purchase Order and that Purchase Orders are created in the SCEIS Procurement system.

Purchase Orders, or POs, can be created for a one-time purchase, against a

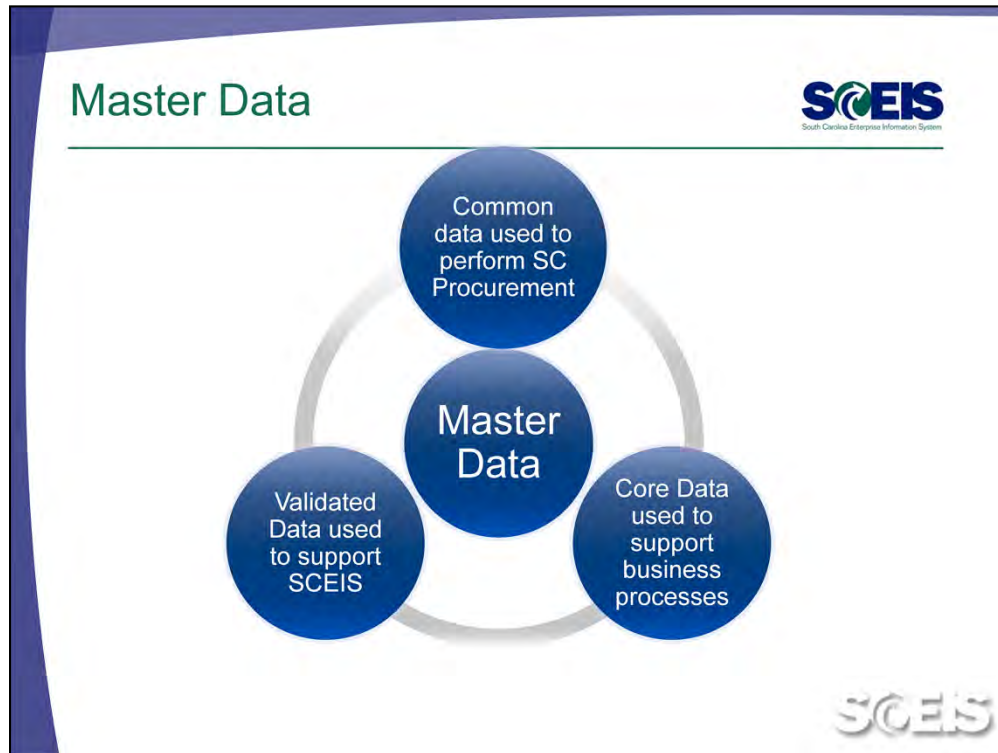
contract, or for duration of time when the price and quantity are known.



In SCEIS, a document is the record of a transaction or the results of a process.

Documents Types are useful tools for capturing Purchasing activity such as sole source, trade-in, emergency, and illegal procurements.

Such document Types are useful tools for mandatory Audit & Certification Agency Quarterly Reporting to the State Fiscal Accountability Authority (SFAA).



Master Data is the common data required to perform South Carolina business. NIGP Codes, Document Types, and the Company Code for the State of South Carolina are examples of common data that appear the same for all users in SCEIS.

Master Data includes the mission-critical, high-value, core data used to support business processes across South Carolina such as security roles and responsibilities for Procurement users.

Master data also consists of the regulated, validated, commonly stored, and replicated data used across South Carolina's information systems such as suppliers and addresses.

Module 4: Summary



- By now, you should have a better understanding of the key Materials Management concepts supporting SC Public Procurement processing:
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 - ✓ Vendor Registration
 - ✓ National Institute of Governmental Purchasing (NIGP) Codes
 - ✓ Product Category
 - ✓ Purchase Orders
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 - ✓ Document Types
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This is the end of the PR101 Module 4. Please continue to Module 5 of the PR101 course.