


# ASCENDER - Using Commodity Codes

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# Using Commodity Codes

This guide provides the necessary steps to set up and use commodity codes in ASCENDER. These steps are performed in the District Administration, Purchasing, and Warehouse applications.

This guide assumes you are familiar with the basic features of the ASCENDER Business system and have reviewed the TxEIS Business Overview guide.

## Prerequisites

### Background

Recent federal statutory changes increased the thresholds for micro-purchases and small purchases under the Education Department General Administrative Regulations (EDGAR) procurement rules. These increases are effective as of July 1, 2018 for all federal grant recipients.

### Micro-Purchases

- The threshold for procurement by micro-purchase is $10,000.
- The threshold applies to purchases of “like-types” of items, which **must** be defined by the LEA in its local policies and procedures; there is no limit to the number of defined “like-types” of items. The LEA's like-type definitions are subject to monitoring and audit.
- Like-type items can be further narrowed to a subcategory of the commodity code itself.
- TEA does not limit the cost of the items categorized as like-types.
- The $10,000 is an aggregate amount for each “like-types” of items across all of the LEA's federal grant funds throughout the entire fiscal year. This applies to the sum of all federal grants that are received by the LEA.
- If the $10,000 threshold is reached, the LEA must use the small purchase procedures by obtaining at least two price quotes for additional purchases of “like-type” items.

For further information or questions about threshold guidelines, email the Department of Contracts, Grants and Financial Administration at GrantSupport@tea.texas.gov.

### Small Purchases

The threshold for procurement by small purchase is $250,000. The $250,000 threshold should be considered as an aggregate amount within the grant period of the applicable grant. However, the Texas Education Code (TEC) 44.031 requires competitive procurement methods (e.g., quotations) be used for purchases valued at $50,000 or more. EDGAR does not define a specific number of necessary quotations; however, TEA recommends at least three.

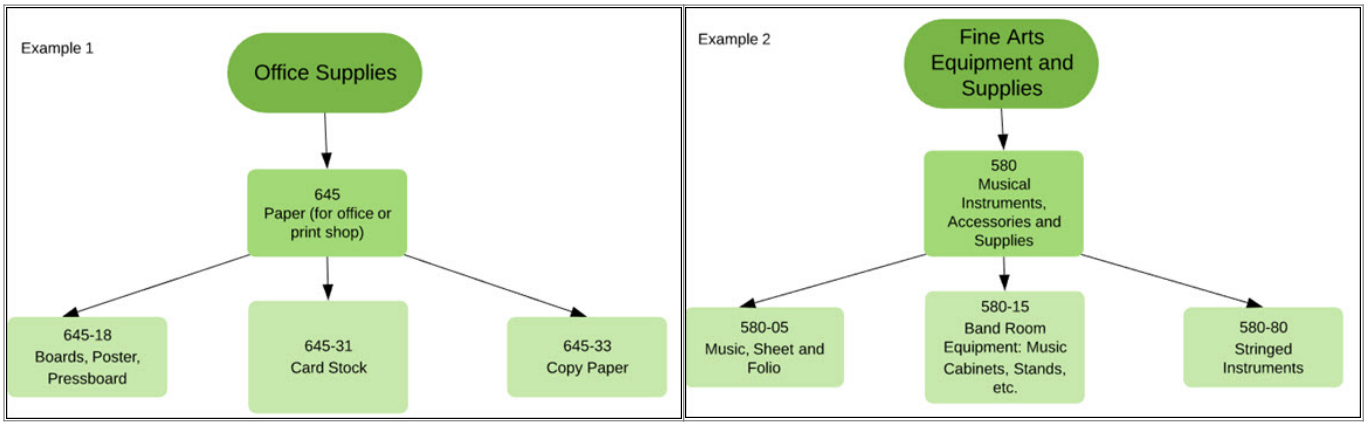
### Tracking & Compliance

Per EDGAR purchasing requirements and TEA's guidelines, ASCENDER has implemented the use of commodity codes to assist in tracking all purchases of “like-types” of items throughout the fiscal year across all of the entity’s federal grant sources. Commodity codes allow for the grouping of “like-types” of items and the tracking of those items/purchases in both the Purchasing and Warehouse applications.

### National Institute of Government Purchasing (NIGP) Codes

The NIGP Class Codes (3-digit codes) and Commodities Codes (5-digit codes) are publicly available on the Texas Comptroller website.

The NIGP Sub-Commodity Codes (7-digit item codes) are available but may require a license or organizational membership to access.




# Set Up For Using Commodity Codes

1. Set up the commodity code table.

   District Administration > Tables > Commodity Codes

   The commodity code table allows you to define “like-types” of items. You have two options to create the commodity code table.

   1. Manually add the commodity code data.

   ❑ Click **+Add** to add a row.

| | |
|---|---|
| **Group ID** | Type a group ID to identify a group of “like-types” of items. This field can be a maximum of three characters. |
| **Commodity Item** | Type a commodity item code to further narrow the group of “like-types” of items into a subcategory. This field can be a maximum of eight characters. |
| **Description** | Type a description for the Group ID. This field can be a maximum of 30 characters. |
| **Status** | Click ⌄ to select a status for the commodity code (*A-Active* or *I-Inactive*). |
| **Threshold** | Type the threshold amount for the group of “like-types” of items. This amount is used for tracking and reporting purposes. The amount may be set to any threshold amount and is displayed on the Commodity Code Actual Cost Report. |

❑ Click **Save**.

OR

2. (**Recommended**) Upload a commodity code file.

The upload feature allows you to import commodity codes to the commodity codes table by uploading a tab-delimited file. A complete file is available on the Texas Comptroller website; however, it contains many items that LEA's would not typically use. Contact your regional ESC consultant for a smaller file containing codes that are common to LEAs.

❑ Click **Upload File**. The File Selection page is displayed.

- Click **Choose File** to select a file to be uploaded. The file name is displayed.
- Click **Execute** to upload the file. The processing icon is displayed as the upload is processed. If there are errors or warnings, the Import Commodity Codes Errors report is displayed.
- Click **Continue**. The Import Commodity Code Records report is displayed. Review the report to ensure accuracy.
- Click **Process** to upload the file. A message is displayed indicating that the import was successfully processed.

The threshold amount for the group of “like-types” of items is optional. This amount is used for tracking and reporting purposes. The amount may be set to any threshold amount and is displayed on the Commodity Code Actual Cost Report. (covered in a later step)

The remaining steps in the set-up process depend on whether or not the LEA uses the Receiving feature.

# LEAs Using Receiving

1. Set up District Administration options.

   District Administration > Options > Purchasing/Warehouse > Current Year

   Select the following:

| | |
|---|---|
| **Create Receiving Payables** | Select to automatically create payable transactions on the Finance > Maintenance > Pending Payables page when items are received.<br><br>If not selected, payable transactions are not created in Finance when items are received.<br><br>**Note**: For bundled requisitions, the payable transaction is created on the Finance > Maintenance > Postings > Check Processing - PO tab. |

| | |
|---|---|
| **Restrict Commodity Codes to Buyer** | Select to restrict the use of commodity codes to only buyers (i.e., **Buyer** is selected on the District Administration > Maintenance > User Profiles > Purchasing Permissions tab). If selected, only buyers can view the **Commodity Code** field on the Purchasing > Maintenance > Create/Modify Requisition, Create/Modify Contract Requisition and Warehouse > Maintenance > Inventory Maintenance pages.<br><br>If **Restrict Commodity Codes to Buyer** is not selected, then all users can view the **Commodity Code** field. |
| **Use Commodity Codes in Finance Payables** | Select to use the commodity code functionality on the Finance > Maintenance > Pending Payables page.<br>❑ If selected, then:<br>• The **Actual Cost** field can be modified.<br>• The **Net Expend Amt** field cannot be modified.<br>• If the **Freight %** is greater than zero, then the **Freight Amt** field can be modified. If not, then the field cannot be modified.<br>❑ If is not selected, then:<br>• The **Actual Cost** field cannot be modified.<br>• The **Net Expend Amt** field can be modified.<br>• The **Freight Amt** field cannot be modified. |

❑ Click **Save**.

**Note**: The amounts to be paid are recorded as **Actual Cost** and assigned for each line item on a requisition.

2. (If applicable) Select the buyer role.

   District Administration > Maintenance > User Profiles > Purchasing Permissions

   If you selected **Restrict Commodity Codes to Buyer** in the previous step, then only those users with buyer permission can view and edit commodity code data on requisitions. Use this page to add buyer permission to selected user profiles.

   ❑ Select the employee from the drop-down field and click **Retrieve**.

   ❑ Select **Buyer** to add the buyer permission to the user. This identifies the user as a buyer and allows them access to manage commodity codes in the Purchasing and Warehouse applications.

   If the LEA chooses not to restrict the **Commodity Code** field to buyers, then there is no need to add the buyer permission to any user profiles.

3. Assign a commodity code to a requisition.

Purchasing > Maintenance > Create/Modify Requisition

Create a requisition in Purchasing/Warehouse and assign a commodity code.

❑ In the **Commodity Code** field, press the SPACEBAR to view a drop down of all commodity codes or begin typing the code to narrow the list.

- Commodity codes are maintained on the District Administration > Tables > Commodity Codes page.
- The commodity code can be changed after the requisition is saved, and also by an approver after the requisition is submitted.

**Notes**:

- If **Restrict Commodity Codes to Buyer** is selected on the District Administration > Options > Purchasing/Warehouse page, then only buyers (i.e., **Buyer** is selected on the user profile) can view the **Commodity Code** field on the Create/Modify Requisition and Create/Modify Contract Requisition pages.
- If **Restrict Commodity Codes to Buyer** is not selected, then all users can view the **Commodity Code** field.

# LEAs Not Using Receiving

Use the following steps for those LEAs that do not use the Receiving feature but still want to track purchases by commodity code.

1. Set up District Administration options.

   District Administration > Options > Purchasing/Warehouse > Current Year

   Select the following:

| | |
|---|---|
| **Restrict Commodity Codes to Buyer** | Select to restrict the use of commodity codes to only buyers (i.e., **Buyer** is selected on the District Administration > Maintenance > User Profiles > Purchasing Permissions tab). If selected, only buyers can view the **Commodity Code** field on the Purchasing > Maintenance > Create/Modify Requisition, Create/Modify Contract Requisition and Warehouse > Maintenance > Inventory Maintenance pages.<br><br>If **Restrict Commodity Codes to Buyer** is not selected, then all users can view the **Commodity Code** field. |

   ❑ Click **Save**.

**Note**: The Accounts Payable process for these transactions uses the Finance > Maintenance > Postings > Check Processing - PO tabs. Paid amounts are displayed as **Net Expend** amounts and are assigned by account code.

2. (If applicable) Select the buyer role.

   District Administration > Maintenance > User Profiles > Purchasing Permissions

   If you selected **Restrict Commodity Codes to Buyer** in the previous step, then only those users with buyer permission can view and edit commodity code data on requisitions. Use this page to add buyer permission to selected user profiles.

   ❑ Select the employee from the drop-down field and click **Retrieve**.

   ❑ Select **Buyer** to add the buyer permission to the user. This identifies the user as a buyer and allows them access to manage commodity codes in the Purchasing and Warehouse applications.

   If the LEA chooses not to restrict the **Commodity Code** field to buyers, then there is no need to add the buyer permission to any user profiles.

# Enter Actual Cost

1. Enter the actual cost.

   Purchasing > Maintenance > Actual Cost

   If an item was not entered in Receivables but has already been paid, you can manually update the **Actual Cost**. This allows you to track and report the actual expenditures for each commodity code.

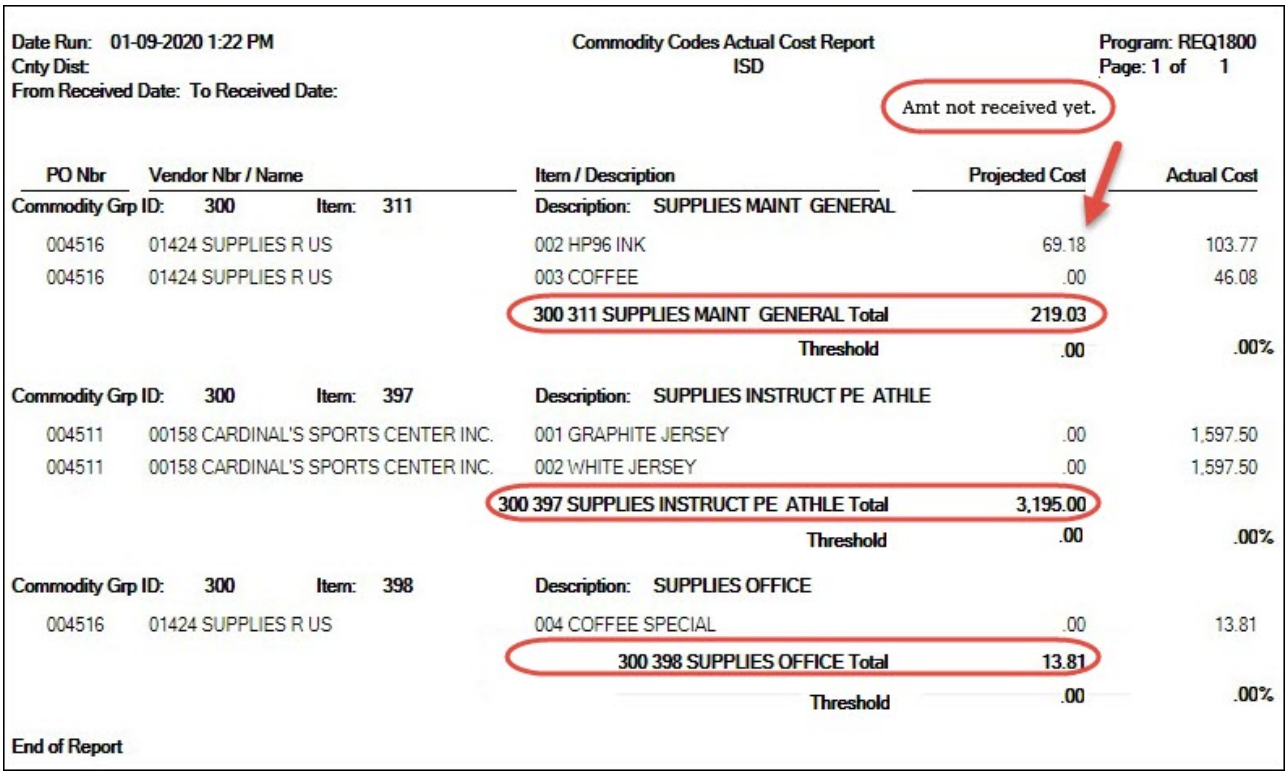
# Reports

1. Generate reports.

   The following reports are available to track commodity code information in Purchasing and Warehouse.

   ❑ REQ1800 - Purchasing > Reports > Purchase Order Reports > Commodity Codes Actual Cost

## Report



Date Run: 01-09-2020 1:22 PM
Cnty Dist:
From Received Date: To Received Date:

Commodity Codes Actual Cost Report
ISD

Program: REQ1800
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Amt not received yet.

| PO Nbr | Vendor Nbr / Name | Item / Description | Projected Cost | Actual Cost |
|---|---|---|---|---|
| Commodity Grp ID: 300 | Item: 311 | Description: SUPPLIES MAINT GENERAL | | |
| 004516 | 01424 SUPPLIES R US | 002 HP96 INK | 69.18 | 103.77 |
| 004516 | 01424 SUPPLIES R US | 003 COFFEE | .00 | 46.08 |
| | | 300 311 SUPPLIES MAINT GENERAL Total | 219.03 | |
| | | Threshold | .00 | .00% |
| Commodity Grp ID: 300 | Item: 397 | Description: SUPPLIES INSTRUCT PE ATHLE | | |
| 004511 | 00158 CARDINAL'S SPORTS CENTER INC. | 001 GRAPHITE JERSEY | .00 | 1,597.50 |
| 004511 | 00158 CARDINAL'S SPORTS CENTER INC. | 002 WHITE JERSEY | .00 | 1,597.50 |
| | | 300 397 SUPPLIES INSTRUCT PE ATHLE Total | 3,195.00 | |
| | | Threshold | .00 | .00% |
| Commodity Grp ID: 300 | Item: 398 | Description: SUPPLIES OFFICE | | |
| 004516 | 01424 SUPPLIES R US | 004 COFFEE SPECIAL | .00 | 13.81 |
| | | 300 398 SUPPLIES OFFICE Total | 13.81 | |
| | | Threshold | .00 | .00% |

End of Report

❑ BWH1600 - Warehouse > Reports > Warehouse Reports > Commodity Codes Actual Cost Report


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