Hot Sheet

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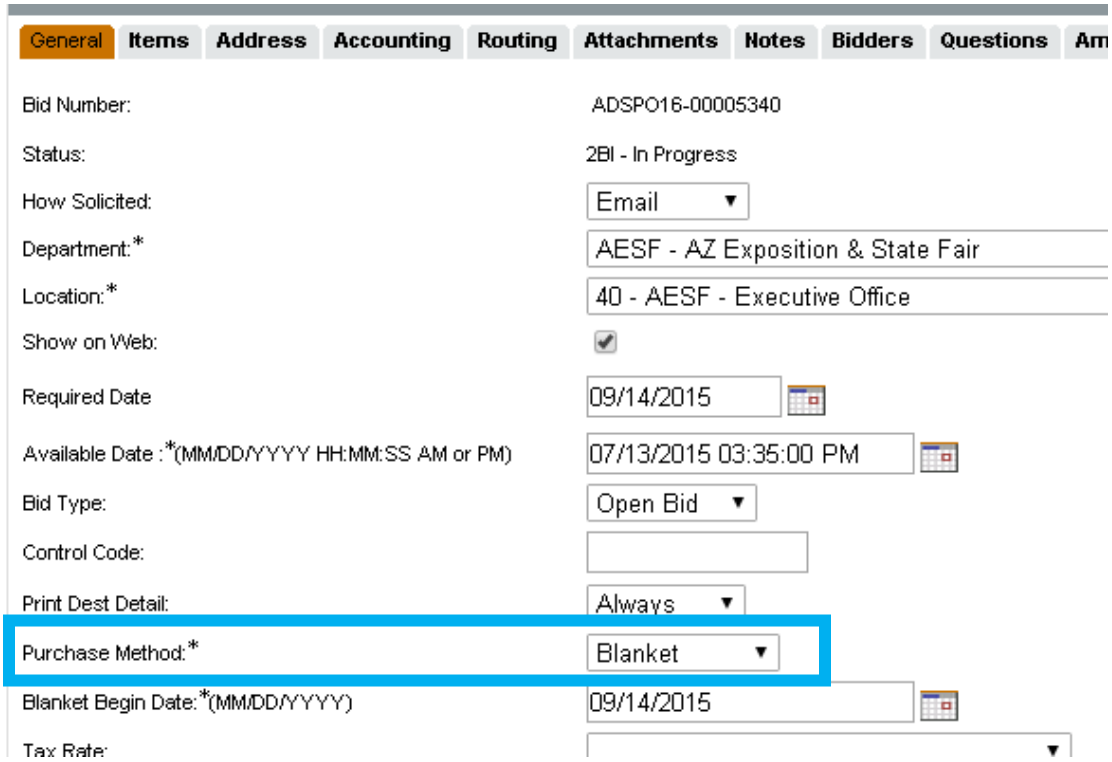
Arizona's Procurement Solution

Topic	Open Market Bids
Document Types Involved	Bid☒ Requisition ☐ PO☐ Receipt ☐ Invoice ☐ Credit Memo ☐ Report ☐ Vendor ☐ User Profile ☐ Agency Setup ☐ Other ☐
Reason for Publication	It is important to consider your desired end result when establishing a Bid, and to follow proper process to support that end result. Problem Statement: • An Open Market Bid that is tied to a Requisition will create a new pre-encumbrance in AFIS when it is converted to an Open Market Purchase Order. • If that Open Market Purchase Order is converted to a Master Blanket Purchase Order, it will **NOT** liquidate the pre-encumbrance. **As a result of the above, you will end up with an outstanding pre-encumbrance in AFIS that you cannot correct.** Wrong Process: 1. Create an Open Market Requisition • Establishes AFIS pre-encumbrance 2. Convert the above Open Market Requisition to an Open Market Bid with a *Purchase Method* of Open Market 3. Award Bid 4. Create PO • System creates an Open Market Purchase Order to match *Purchase Method* 5. Convert Open Market Purchase Order to Master Blanket Purchase Order **YOU NOW HAVE A PRE-ENCUMBRANCE IN AFIS YOU CANNOT LIQUIDATE**
Recommended Strategy	Best Practice: The key to success is to ensure that the *Purchase Method* of a Bid is correctly set to the desired end result. **Desired End Result: Master Blanket Purchase Order (Contract):** 1. Create an Open Market Requisition • Establishes AFIS pre-encumbrance 2. Convert the above Open Market Requisition to an Open Market Bid with a *Purchase Method* of Blanket 3. Award Bid 4. Create PO • System creates a Master Blanket Purchase Order to match *Purchase Method* • Liquidates AFIS pre-encumbrance ☺

	Desired End Result: One-Time Purchase 1. Create an Open Market Requisition • Establishes AFIS pre-encumbrance 2. Convert the above Open Market Requisition to an Open Market Bid with a *Purchase Method* of Open Market 3. Award Bid 4. Create Purchase Order • System creates an Open Market Purchase Order to match *Purchase Method* • Liquidates original AFIS pre-encumbrance and establishes a new pre-encumbrance
Screenshots	General Tab of a Bid: