


# Hot Sheet



Topic	NIGP Codes on Master Blanket & Open Market Purchase Orders
<b>Document Types Involved</b>	Bid <input type="checkbox"/> Master Blanket <input checked="" type="checkbox"/> Requisition <input checked="" type="checkbox"/> PO <input checked="" type="checkbox"/> Receipt <input type="checkbox"/> Invoice <input checked="" type="checkbox"/> Credit Memo <input type="checkbox"/> Report <input type="checkbox"/> Vendor <input type="checkbox"/> User Profile <input type="checkbox"/> Agency Setup <input type="checkbox"/> Other <input type="checkbox"/>
<b>Reason for Publication</b>	<p>AFIS tables identify NIGP codes that may create Fixed Asset Shells, and the dollar amount that will generate a shell when paying for an item with that NIGP code/dollar amount combination.</p> <ul style="list-style-type: none"> <li>The NIGP codes for Fixed Asset Shells will never begin with “9” as 900 series NIGP codes are reserved for services.</li> <li>ProcureAZ invoices that include items with NIGP code/dollar amounts that meet the AFIS criteria will generate AFIS Fixed Asset shells when that invoice item is paid.</li> </ul> <p>When agencies add a service item to a Purchase Order and the NIGP code is not 900 series, they may end up inadvertently generating a Fixed Asset Shell for the service items in AFIS. The <b>AFIS COMM table</b> identifies which <b>NIGP codes</b> are flagged for Fixed Assets. The <b>AFIS COMMFA</b> identifies the <b>threshold</b> for each NIGP flagged to create Fixed Assets.</p>
<b>Steps Resulting in Scenario</b>	<p>1. A requisitioner creates an Open Market Requisition and selects a non-900 Series NIGP code for a service.</p> <p><b>OR</b></p> <p>A Master Blanket Purchase Order is created with a service line item using a non-900 Series NIGP code.</p> <p><u><b>In either case:</b></u></p> <p>2. IF the NIGP code selected for the service line item is identified as a Fixed Asset NIGP in the AFIS Commodity table, and the dollar amount for the item on the INVOICE meets the Fixed Asset dollar threshold.</p> <ul style="list-style-type: none"> <li>This causes AFIS Fixed Asset Shells to be generated for what is essentially a service when the invoice is paid in AFIS.</li> <li>The agency Fixed Asset team will likely will need to spend time researching to (hopefully) eventually learn that the payment was actually for services, and that they should NOT complete the Fixed Asset shell/it should be discarded.</li> </ul> 
<b>Recommended Strategy</b>	<p>TO AVOID THIS PROBLEM:</p> <ul style="list-style-type: none"> <li>Be sure each SERVICE line item on any PO (Master Blanket or otherwise) has an NIGP code in the 900 series.</li> <li>Line items with NIGP codes in the 900 series WILL NOT trigger the automatic creation of fixed asset management shells.</li> </ul>

Screenshots

**Inappropriate NIGP Code Selection**

**Example: Master Blanket Purchase Order line item that is really a service but has an NIGP code outside the 900 series**

*Note: The same situation will occur if an Open Market PO utilizes the same strategy.*

Master Blanket Purchase Order ADSP012-015487

Status: 3PS - Sent

General

Items

Vendor

Routing

Control

Attachments(14)

Notes

Change Orders(10)

Reminders

Summary

General

Notes

Item #:16

Print Sequence:16.0

Item Type:Normal

Item Status:3PS - Sent

Minimum Order Quantity:0.0

Stock Item Number:

Description:  
Maintenance

Receipt Method	Quantity	Unit Cost	Net Unit Cost	UOM	Discount %	Total Discount Amt.	Total
Quantity	0.0	\$0.00	\$0.00	EA - Each	0.0%	\$0.00	\$0.00

600 - OFFICE MACHINES, EQUIPMENT, AND ACCESSORIES

71 - Mailing, Packaging, and Shipping Machines (Including Packaging Material Dispensing Machines)

Commodity Code:

Tax Rate:

Tax Amount: \$0.00

Extended Amount: \$0.00

Manufacturer:

Brand:

Model:

Make:

Packaging:

**Scenario:**

- The line item is for the **maintenance** of mailing equipment (a **service**).
- The NIGP code on the line item is for an **office machine**, a **commodity item**.
  - This is not the correct NIGP code for the maintenance services.

**Negative Results:**

- If an invoice is processed in ProcureAZ for this line with an amount that exceeds \$1,000 per item, AFIS will automatically generate a Fixed Asset Shell when the invoice is paid.
- The Fixed Asset Shell created by this line item will need to be manually discarded from AFIS.

Screenshots

Proper NIGP Code Selection for Service

Example: Master Blanket Purchase Order service line item with an NIGP code in the 900 series

Note: The same situation will occur if an Open Market PO utilizes the same strategy.

Master Blanket Purchase Order ADSP012-015487

Status: 3PS - Sent

General

Items

Vendor

Routing

Control

Attachments(14)

Notes

Change Orders(11)

Reminders

Summary

General

Notes

Item #:

16

Print Sequence:

16.0

Item Type:

Normal

Item Status:

3PS - Sent

Minimum Order Quantity:

0.0

Stock Item Number:

Description:

Maintenance

Receipt Method	Quantity	Unit Cost	Net Unit Cost	UOM	Discount %	Total Discount Amt.	Total
Quantity	0.0	\$0.00	\$0.00	EA - Each	0.0%	\$0.00	\$0.00

939 - EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR COMPUTERS, OFFICE, PHOTOGRAPHIC, AND RADIO/TELEVISION EQUIPMENT

52 - Mailing Machines and Equipment Maintenance and Repair

Commodity Code:

Manufacturer:

Brand:

Model:

Make:

Packaging:

Tax Rate:

Tax Amount:

Extended Amount:

\$0.00

\$0.00

\$0.00

Scenario:

- The line item is for **maintenance** of mailing equipment (a **service**).
- The NIGP code on the line item is for **machine maintenance and repair**, a **service**.

Positive Results:

- 900 series NIGP codes are not identified in the AFIS Commodity table as Fixed Asset commodities.
- This means that a Fixed Asset shell will never be generated – no matter how much is paid for one of the items on a ProcureAZ invoice.