

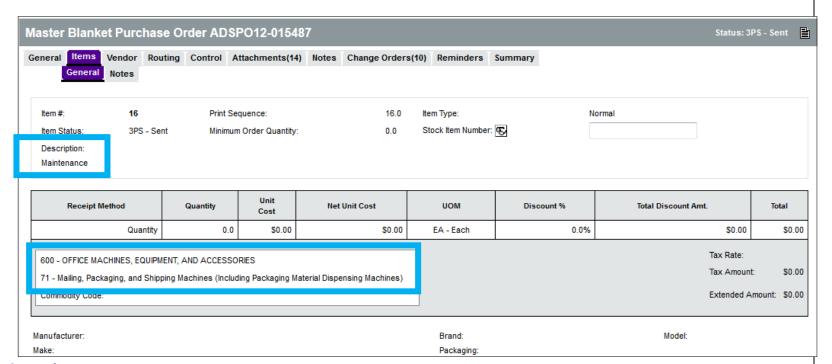


Topic	NIGP Codes on Master Blanket & Open Market Purchase Orders
Document Types Involved	Bid ☐ Master Blanket ☒ Requisition ☒ PO☒ Receipt ☐ Invoice ☒ Credit Memo ☐ Report ☐ Vendor ☐ User Profile ☐ Agency Setup ☐ Other ☐
Reason for Publication	<ul> <li>AFIS tables identify NIGP codes that may create Fixed Asset Shells, and the dollar amount that will generate a shell when paying for an item with that NIGP code/dollar amount combination.</li> <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> <li>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 AFIS COMM table identifies which NIGP codes are flagged for Fixed Assets. The AFIS COMMFA identifies the threshold for each NIGP flagged to create Fixed Assets.</li> </ul>
Steps Resulting in Scenario	<ol> <li>A requistioner creates an Open Market Requistiion and selects a non-900 Series NIGP code for a service.</li> <li>OR         <ul> <li>A Master Blanket Purchase Order is created with a service line item using a non-900 Series NIGP code.</li> <li>In either case:</li> </ul> </li> </ol>
	<ul> <li>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.</li> <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>
Recommended Strategy	<ul> <li>TO AVOID THIS PROBLEM:</li> <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>

# **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.



## Screenshots

#### **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.
  - o This is not the correct NIGP code for the maintenance services.

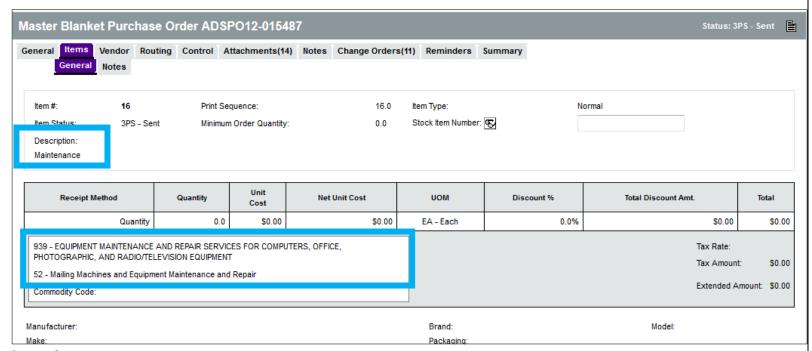
### **Negative Results:**

- 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.

### **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.



#### Screenshots

#### **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.