

Purchasing Directives

<u>Number</u>	<u>Title</u>	<u>Date Issued</u>	<u>Date Rescinded</u>	<u>Still in Effect?</u>
83-1	Printed Forms Ordering	3-30-93	9-30-92	No
83-2	Forms Management and Control	6-20-83	9-30-92	No
83-3	Stationery Standardization and Cost Containment System	7-12-83	9-30-92	No
83-4	Hazardous Substances Control	7-18-83	9-30-92	No
84-5	Electrical Supplies Order System	4-24-84	3-01-91	No
84-6	Personal and Professional Services Contracts (MBE/WBE Questionnaire)	6-11-84	7-03-89	No
84-7	Direct Payment Vouchers (contents were incorporated into Chapter 300 in the 12-23-94 revision)	8-11-84	12-23-94	No
85-8	Gold Seal Business Cards	2-11-85	7-03-89	No
92-9	Direct Payment Vouchers for Certain Transactions Should Go Directly to the Controller, not through Purchasing (contents were incorporated into Chapter 300 in the 12-23-94 revision)	6-02-92	12-23-94	No
92-10	Procedures for Annual Equipment or Software Maintenance Agreements; New Requirements after February 1, 1993	12-18-92		Yes
93-11	VDT Equipment Acquisition Guidelines	4-16-93		Yes
94-12	Purchases of Electrical Products; Do Not Submit Form P-315 to Purchasing (contents were incorporated into Chapter 400 in the 7-15-94 revision)	4-29-94	7-15-94	No
95-13	To Replenish Revolving Funds, Send the Direct Payment Request Form to the Controller, not Purchasing	10-10-95		Yes
95-14	(1) Elimination of the MRR; (2) Using the Encumbrance Payment Request Form ... to Approve Invoices; (3) Two Revised Forms: Encumbrance Payment Request and Direct Payment Request; (4) ... New Form: Direct Payment Request Addendum	10-10-95		Yes
96-15	New Director; Please Modify Signature Line on Contract Forms	9-09-96	5-18-98	No



December 18, 1992

Purchasing Directive 92-10

To : All City Departments and
Holders of the Guide to Ordering Goods and Services

From : Ed Harrington *E. Harrington*
Controller

M. H. Geistlinger *Bill Jones for*
Director of Purchasing

Subject: Procedures for Annual Equipment or Software Maintenance Agreements;
New Requirements after February 1, 1993

Purpose

This memo describes how City departments, Purchasing and the Controller's Office work together when departments have equipment which requires maintenance. This memo also notes that departments can save time and money by following the invoice approval procedures in Controller's Instruction 1023.3, issued 5-15-89. Software maintenance agreements are covered briefly.

As you know, the City has a considerable base of installed equipment and spends a lot of money each year for maintenance. It is important that equipment maintenance agreements be structured so that the City and the vendor know precisely what equipment is being maintained and at what level of service. This enables you to monitor the vendor's performance and compare invoices against service records so that the City pays only for the services you receive.

As described below, you must provide specific data on equipment and pricing on the TPA, Contract Order, or Requisition for Purchase Order after February 1, 1993.

The Problem: Too Little Information

Purchasing sometimes receives Contract Orders, TPA's, or RPO's for equipment maintenance where the description of the service is so general that it is difficult to determine what the department needs. For example, the "Description" area of the TPA could read:

"Maintenance"

Such a description doesn't identify what the equipment is, where it is, or how services will be provided and charged. This lack of detail causes Purchasing problems when placing the award because we may have to call the department to get some listing of the equipment. It also causes problems for

the department, Purchasing and the Controller when processing invoices because the TPA contains no information on how the vendor will charge the City for services rendered.

The Solution: Sufficient Information

There are generally three types of maintenance agreements: monthly charges, rather like an insurance policy; an annual charge, paid in advance; time-and-materials.

Monthly Charges--Insurance Policy

The major type of maintenance agreement the City uses is like an insurance policy. The City pays a fixed amount, usually monthly, whether the equipment does or does not require servicing that month.

A TPA with what Purchasing considers a complete presentation of the information needed would look like:

"Maintenance services from July 1, 1992 through June 30, 1993 for the following equipment and at the following charges:

One H-P Laser Printer, Model IIP, Serial No. 123	\$100/month
One Compaq PC, Deskpro 386S, Serial No. 456	50/month

Monthly charges include all parts and labor. All equipment is located in Room 270, City Hall."

Master Agreement #1234 attached."

Annual or Other One-Time Charge, Paid in Advance

Some vendors offer maintenance for an annual fee, almost always paid in advance. (City policy discourages advance payments, but sometimes that is the only payment method offered.) These agreements are usually for small equipment, such as typewriters or fax machines, or for software. The agreement is like an insurance policy, but with only one payment. Departments should use an RPO for this kind of agreement. Contract Orders and TPA's, because they are geared toward multiple payments, should not be used.

You should format the Description area as described above for monthly charges, including the item's model and serial numbers and location, except the charges should be designated as "\$100 annual fee," or the like. Also, indicate "Advance payment required."

Time-and-Materials

In a time-and-materials maintenance agreement, the department pays only when equipment needs service, agreeing to pay the vendor a predetermined hourly rate for the time spent servicing the machine, plus parts.

A model TPA for time-and-materials would look like:

"Maintenance services from July 1, 1992 through June 30, 1993 for the following equipment, on a time-and-materials basis:

One Hewlett Packard Laser Printer, Model IIP, Serial No. 123.
One Compaq PC, Model Deskpro 386S, Serial No. 456.
Equipment is located in City Hall, Room 270.

Service will be charged at \$75/hour. No charge for travel time.
Parts will be charged at list price less 10% discount.

Master Agreement #1234 attached."

This information pinpoints each item of equipment, its location, how the maintenance charges are calculated, and the underlying master agreement.

Software Maintenance

Software maintenance is, understandably, quite different from equipment maintenance, and is mentioned here only because some of this memo's information and the word "maintenance" apply to software maintenance as well. An agreement for maintenance of software usually commits the vendor to sending you any upgrades which may be published during the year, sometimes at a reduced rate, and usually entitles you to telephone support from the vendor at no charge. Maintenance is generally not offered for off-the-shelf applications, such as Lotus or WordPerfect, but is available for larger applications.

The description would look like:

"Maintenance for Acme Network LAN software for one year. \$1,000 annual fee. Advance payment required."

If You Switch Equipment During the Year, Modify the TPA or CT

If, for example, you upgrade a copier or laser printer to a newer model during the year, you need to modify the TPA or CT. The modification is necessary to identify the new model number, etc., as well as any changes in pricing which may have occurred.

Contract Documents: Vendor's Standard Contract plus City's Attachment

In most situations, the City and the vendor will sign two documents describing the vendor's responsibilities. First, the vendor generally asks the City to sign the vendor's standard maintenance agreement, which is a document with some blanks to be filled in and a lot of fine print. Be sure you read the fine print before you sign. Second, the City asks the vendor to sign the City's corresponding agreement, the "Standard Maintenance Attachment," form P-530, which is an Exhibit in Chapter 600 of the Guide to Ordering Goods and Services and contains a lot of fine print. Except for insurance, bonding and some addresses, there are no questions on the attachment that need to be answered. The City and vendor simply sign the agreement.

Accounting Document: Contract Order, Term Purchase Agreement or Requisition for Purchase Order

The accounting document used for maintenance could be a Contract Order, TPA or Requisition. If the contractor needs to carry insurance during the year, use a Contract Order. If insurance is not required but multiple payments will occur, use a TPA. For single-payment transactions, use a Requisition.

Need to List Each Piece of Equipment

It is essential that you list each major piece of equipment which will be maintained. Vendors almost always calculate maintenance charges on a per-item basis, such as \$100 per month for a laser printer, so a complete list of the equipment must be a part of the package. The equipment must be listed in one of the following ways:

- part of the vendor's maintenance agreement, usually listed on the first page
- an attachment to the vendor's maintenance agreement
- on the Contract Order or TPA.

The equipment listing should not be added to the form P-530.

The equipment should be described by model number, serial number, and location.

If your department has an unusually large number of pieces of equipment, call Purchasing first to review whether there is an economical way of listing them.

Need to List How Charges Are Calculated

How does the vendor determine how much to charge for maintenance? The method must be specified. Charges could be a standard periodic rate (e.g., monthly or quarterly) with no separate charges for service calls, such as the examples at the top of this page. Or charges could be based on service calls, such as \$75 per service call plus parts.

Pricing data is required for each piece of equipment. The data could come from a vendor's pricing sheet, catalog, detailed quotation, or from a Master Agreement established by the vendor and Purchasing.

If the calculation is not part of some other document which you include in the package, please add it to the Contract Order or TPA.

If the City Will Pay a Fixed Amount per Month, You Can Process Invoices More Quickly

If the maintenance agreement specifies that the City will pay a fixed amount per month, then a special procedure should be followed. Departments can save themselves unnecessary paperwork by having the stream of payments approved in

advance by Purchasing and the Controller. The fixed amount would generally apply whether the equipment required no service calls or several service calls during the month, and would include the cost of any parts.

This payment method also makes it easier for the City to take prompt payment discounts.

You must set up the original Contract Order or TPA and a payment document at the same time. Consult Controller's Instruction 1023.3, dated 5-15-89, entitled, "Processing of Contract Payment Authorizations or Voucher Payments with Predetermined Payment Schedule." A major benefit of following the procedure is that departments complete only one payment document for the entire year, instead of one per month or one per quarter. For extra copies of Instruction 1023.3, call Purchasing (4-6216) or the Controller (4-7523).

This expedited payment method is available only for insurance-policy maintenance agreements (fixed payments), not time-and-materials agreements (variable payments).

Reference to a Master Agreement

Purchasing has established several Master Agreements with equipment manufacturers, such as computer firms, where the vendor has agreed to Citywide fixed maintenance prices for a fixed term, typically one year. Except in unusual circumstances, departments owning equipment to which the Master Agreement applies should use the pricing information in the Master Agreement. To do this, you would state on the Contract Order or TPA something like: "Pricing from ABC Company's Master Agreement No. 12345, page 2." The page number must be the page where the pricing is established. We encourage you to attach copies of the page(s) cited, but if you do not, you must list the page number(s) where the pricing appears. Without this information, it will be difficult for any City office involved to monitor performance of the contract and verify the accuracy of the charges.

The equipment covered and the pricing would still need to be listed separately (pricing would be in the attachment).

Information is Required as of February 1, 1993

Purchasing recognizes that while many departments historically have supplied this information in their contract packages, this practice has not been implemented Citywide. Given the importance of this issue, however, Purchasing will require this information on all maintenance agreements, whether new, renewals or extensions, submitted after February 1, 1993. You are encouraged, of course, to begin supplying this information immediately.

This means, for example, if the City and the vendor signed a one-year maintenance agreement from July 1992 through June 1993, and you submitted a TPA for six months of service from July through December 1992, the TPA submitted later this year to continue service from January through June 1993 must contain details on the equipment and service charges.

After February 1, maintenance packages which lack the required information will be returned to you.

Reviewing Invoices and Approving Payment

Vendors often make billing mistakes. (This is one reason why the equipment model and serial numbers are necessary.) It is important for departments to review invoices carefully before approving them for payment. Things to look for include:

- ^ Is the vendor billing you for the right equipment? You might own a particular type of laser printer, but so do other departments. Was the service call on your machine or someone else's? Check the serial number on the invoice and make sure you own the equipment which was serviced.
- ^ Do the charges match the pricing agreement? Make sure the vendor is charging only what the pricing agreement allows, and that prices have not been raised.

When you are satisfied that the invoices are valid and accurately reflect services provided, you should prepare the appropriate payment document promptly. If your maintenance payments were already approved by Purchasing and the Controller, you need only sign the invoice and send it with a photocopy of the original payment document submitted when the agreement was first established. (See Controller's Instruction 1023.3.) The package is sent directly to the Controller rather than through Purchasing.

If the payments were not previously approved, you will need to complete a payment document, either a Contract Payment Authorization or a Voucher Payment, for each invoice, and submit the payment document and invoice to Purchasing.

When the Controller receives the payment form and invoice, the Controller checks for the following: that the invoices listed on the payment document match those attached; that the charges match those on the TPA or CT; that any required insurance remains in effect. If everything is in order, the Controller issues a warrant and mails it to the vendor.

Things To Do During the Maintenance Period

There may be responsibilities you must fulfill under the maintenance agreement. For example, some manufacturers of laser printers require the customer to record the reading from the printer's copy counter and send it in on a postcard every month.

Filing

Holders of the Guide to Ordering Goods and Services should file this in the Purchasing Directives section of the Guide, after Appendix A. Updated materials are enclosed for Guide holders. Consult page ii of the Table of Contents for complete update information.

April 16, 1993



To : Department Heads and
Holders of the User Guide to Ordering Goods and Services

From : ~~Raymond Baxter, Ph.D.~~
Director of Public Health
M. H. Geistlinger
M. H. Geistlinger
Director of Purchasing

Subject: VDT Equipment Acquisition Guidelines

This Directive transmits VDT acquisition procedures to departments. Department heads are receiving only the Directive. Holders of the User Guide are receiving the Directive and updates to the Guide's Table of Contents (pages i and ii) and List of Directives (page D-1).

A. Purpose of Guidelines

These guidelines explain the requirements of the Video Display Terminal (VDT) Ordinance pertaining to the use of equipment for VDT work stations. The guidelines set out procedures for City departments to follow to comply with the Ordinance.

B. The VDT Ordinance

The VDT Ordinance became effective in January 1991, amending Chapter 5 (Health Code) of the S.F. Municipal Code by adding Article 23. Private employers challenged the City's right to enforce the Ordinance in private places of employment. A lower court ruling holding the Ordinance unenforceable against private employers is on appeal. The Ordinance remains valid, however, as it applies to the City's own places of employment.

The goal of the Ordinance is to help employers reduce the risk of injury to their workers. Compliance with the Ordinance benefits the City by reducing the costs of worker's compensation claims and reducing time lost from work due to injuries.

C. Subject Areas Regulated by the Ordinance

The Ordinance requires employers to provide VDT operators with certain types of equipment, supplies, and work area conditions, including:

- chairs
- monitors
- monitor supports (arms)
- keyboards
- workstations (the desks and tables the monitors and keyboards rest on)
- document holders
- arm rests

- wrist rests
- foot rests
- printer noise reduction
- glare prevention

D. Circumstances Requiring Use of Certain Types of Items

The Ordinance's standards cover two situations. First, if an operator will be using the following items for at least 4 hours a day, then the item must comply with the Ordinance: monitors, monitor supports; document holders; printer noise hoods or enclosures; glare prevention devices.

Second, if an operator will be performing repetitive keyboard motions for at least 4 hours a day, then all of the preceding items must comply with the Ordinance, and the following items must also comply: chairs, keyboards, workstations, arm rests, wrist rests, and foot rests.

E. City Policy to Purchase Complying Items

The Ordinance provides that equipment upgrades of VDT workstations will be phased in. The Ordinance sets a goal of bringing all workstations covered by the Ordinance into compliance by July 1993. By that date, employers are required to spend no more than \$250 per workstation for equipment upgrades. By January 1995, however, all workstations must be in complete compliance with the Ordinance.

The Department of Public Health and the Purchasing Department are announcing a City policy that departments should request only equipment which complies with the Ordinance. This will enable departments to move equipment or personnel around within a department without the risk that someone will be assigned to non-complying equipment.

F. Purchasing Will Order Complying Items, Unless a Department States They Are Exempt

In furtherance of the City policy, Purchasing will assume that whenever a department submits a Requisition for one of the items listed above, the department wants items that comply with the Ordinance. Purchasing will require vendors to bid only on items which comply.

If a department does not wish to order items which comply, the department must notify Purchasing on the Requisition that the items are exempt from the Ordinance.

G. City Departments' Responsibilities

1. Revolving Fund Orders

Some of the covered items are inexpensive (below \$200) and departments should order them directly from the vendor and pay the invoices with checks from their revolving funds. The items should not be listed on a Requisition and submitted to Purchasing.

Departments are responsible for determining if these items, as they will be used, are subject to the Ordinance and if so for ordering only items which comply. These inexpensive items are:

- terminal display supports
- document holders
- arm rests
- wrist rests
- foot rests
- glare screens and hoods

The other covered items are relatively expensive and cost more than the limit for revolving fund purchases (generally \$200). These items would be listed on a Requisition and the Requisition sent to Purchasing. The items are:

- chairs
- monitors
- keyboards
- work stations
- printer hoods or enclosures

2. Requisitions Submitted to Purchasing

If a department is ordering an item listed in the Ordinance but the item will be used such that the item need not comply, the department is responsible for notifying Purchasing of this fact. Without such notice, Purchasing will specify in any bid that items must comply.

H. Purchasing's Responsibilities

Purchasing will solicit bids for items requested by departments. As noted earlier, Purchasing will assume that all items must comply with the VDT Ordinance, unless a department states otherwise on the Requisition.

I. Public Health's Responsibilities

The Department of Public Health is available to advise departments on whether a workstation must comply with the Ordinance and whether a particular equipment model complies with the Ordinance. Public Health has developed the equipment standards contained in this document.

When Purchasing requests bids for complying equipment, Purchasing verifies with Public Health that the specifications submitted by the low bidder comply with the Ordinance.

Public Health will investigate any reports of violation of the Ordinance and will report actual violations to the Mayor's Office.

J. Use of American National Standards Institute Criteria for Some Items

The Ordinance gives the City alternatives in determining what standards apply to equipment, etc. For chairs, workstations, monitors, and keyboards, the Department of Public Health has determined that the ANSI/HFS 100-1988 standards will apply. These standards are promulgated by the American National Standards Institute,

Human Factors Society. For terminal supports, document holders, arm rests, wrist rests, foot rests, noise reduction and glare prevention, Public Health has determined that because there are no corresponding ANSI standards for these items, the City shall use alternate specific standards set forth in the Ordinance.

K. Requirements for Equipment and Supplies

Public Health has developed the following equipment requirements for items addressed by the Ordinance. Where appropriate, Public Health has provided general recommendations to guide departments in their equipment purchases.

1. Chairs

a. Requirements

- (1) Seat height: 16.0-20.5 inches.
- (2) Seat depth: 15.0-17.0 inches. If over 16 inches, must provide relief to the back of the knee, such as a "waterfall" design.
- (3) Seat width (distance between the arms): minimum 18.2 inches.
- (4) Seat pan angle: If fixed, from 0-10°. If adjustable, adjustment range must include some part of the 0-10° range.
- (5) Angle between seat back and seat pan: If fixed, 90-105°. If adjustable, must include some part of the 90-105° range.
- (6) Backrest: Provides support in lumbar range. Lumbar support should be 6-9 inches high with vertically convex and horizontally concave radius. Backrest should at least 12 inches wide and adjustable for height.
- (7) Upholstery: moisture absorbing material, compressible at least ½-1 inch.
- (8) Swivel: the chair must allow the user to swivel it.
- (9) Adjustability: seat pans must be adjustable while the user is sitting. Backrest adjustments must be easy to operate.

b. Additional Recommendations

Chairs should have a five-legged base with casters. Seat pans adjustable for angle are preferable. Full backrests are preferable. Chairs with fixed arm rests are not advisable, because eventually an employee who is not comfortable with the arm rests might have to sit in the chair. Make sure the arm rests allow the user to get close enough to the work station. Avoid chairs with vinyl, plastic or leather upholstery. Separate seat pillows are not a desirable means of satisfying the alternative depth requirement.

2. Work Stations

a. Requirements

- (1) Keyboard support surface must be adjustable so that arms, wrists and hands are parallel to the floor, and must allow adequate clearance for operator's legs.
- (2) Minimum depth at knee level: 15.0 inches.
- (3) Minimum depth at toe level: 23.5 inches.
- (4) Minimum width of keyboard support surface: 20 inches.
- (5) Minimum range of surface height for an adjustable keyboard support: 23.0-28.0 inches. Minimum height for a non-adjustable keyboard support: 28 inches.

b. Additional Recommendations

Work station surfaces should be large enough to accommodate documents and mice. Long-term stand-up work should be avoided. Avoid work surfaces with sharp edges. Matte finishes are preferable to reduce glare. Adjustable keyboard supports, including angle adjustments, are preferable to fixed supports, and should be easily adjustable by operators without requiring tools. Lateral leg room should be at least 27 inches.

3. Monitors

Video screens shall be clean, clear and without perceptible flicker. Even though flicker is subjective for individuals, monitors with refresh rates of 60-70 cycles per second should prevent the vast majority of flicker problems. Most new monitors have refresh rates in this range.

There are many technical specifications within the ANSI/HFS standards which monitors must meet. Only the subject areas are listed.

- modulation transfer function area
- percent raster modulation
- luminance
- contrast
- color usage
- absolute intensity coding
- relative intensity coding
- blinking
- linearity
- stability
- luminance uniformity
- character height

- character height-to-width ratio
- character format
- symbol color contrast
- stroke width
- between-character spacing
- between-line spacing
- between-word spacing
- viewing distance
- angle of incidence and controls

4. Keyboards

a. Requirements

Keyboards must be detachable from the monitor.

There are many technical specifications within the ANSI/HFS standards which keyboards must meet. Only the subject areas are listed:

- layout
- cursor control
- keyboard height and slope
- keyboard placement
- keyboard surfaces
- key nomenclature
- keytop shape and size
- key spacing
- key travel
- key force
- keying feedback
- keyboard profile
- keyboard stability

b. Additional Recommendations

Rounded front keyboard edges, and keyboards with height angle adjustments, are preferable.

5. Terminal Display Supports

a. Requirements

Support must allow the top of the screen to be no higher than the operator's eye level and the bottom of the screen to be no more than 60° below eye level. Adjustable terminal display supports are not required, but preferable if more than one operator will use the equipment.

b. Additional Recommendations

Supports which adjust for height and viewing distance are advantageous. Supports which allow the terminal to be moved away from the work area can allow the work station to be used for other purposes.

6. Document Holders

a. Requirements

Holders must be adjustable for height and angle.

b. Additional Recommendations

Holders which can be positioned next to the right or left side of the keyboard and below the terminal display are preferable. Holders should be stable to avoid bounce or jiggle. Matte finishes are preferable to avoid glare.

7. Arm Rests

a. Requirements

The City will provide arm rests upon request of the operator.

b. Additional Recommendations

Arm rests can be either part of the chair or attachable to the work surface. The City's experience has been that rests attached to the table are expensive and more restrictive than rests which attach to the chair.

Arm rests should be adjustable for height (7-11 inches above the seat, average of 9 inches) and width (18-19 inches). Length of the arm rests should be 6-7 inches from the seatback. Detachable arm rests may be advisable if more than one operator will use the equipment. Fixed arm rests on the chair are adequate only if all users are comfortable with the fixed position. Arm rests should not be narrow, cutting or unpadded. They should allow the user to get close enough to the work station.

8. Wrist Rests

a. Requirements

Wrist rests will be provided upon request. They will provide for a neutral position and be padded with no sharp edges.

b. Additional Recommendations

The wrist rest should be fairly broad (a couple of inches). Adjustability for height is preferable. All edges should be rounded. Because comfortable wrist rests are a matter of personal preference, the department should have operators try on the wrist rests before purchasing them.

9. Foot Rests

a. Requirements

Foot rests will be provided upon request.

b. Additional Recommendations

Foot rests should incline upwards slightly (5-15°), have non-skid surfaces, and be heavy enough to remain stationary with the feet in place. They should be large enough to accommodate both feet with spacing in between. They should allow repositioning. A height of 3-6 inches is probably adequate.

10. Glare Prevention (Glare Screen and Hoods)

a. Requirements

Glare can be reduced by providing window shades, positioning terminals at right angles to windows, and providing anti-glare screens, glare hoods, and non-reflecting keyboards.

b. Additional Recommendations

Glare hoods should not cast shadows across the terminal display. The operator should not have to sit in an uncomfortable position to look through the hood. Many terminal displays have neutral density filters (screens). Other filters which may be used are color filters, circular polarizing filters and micro-mesh filters. These devices should be evaluated at typical workstations before purchase.

11. Noise Prevention Measures (Hoods or Enclosures)

a. Requirements

Direct noise from impact printers must be reduced by placing covers over the printers or isolating them from the rest of the work environment.

b. Additional Recommendations

Noise levels should be reduced to below 55 decibels at the worker's hearing zone. Most laser printers do not produce excessive noise.



October 10, 1995

Purchasing Directive 95-13

To : Department Heads and
Holders of the *Guide to Ordering Goods and Services*

From : Edward Harrington
Controller
[Signature]
M. H. Geistlinger
Director of Purchasing

Subject: To Replenish Revolving Funds, Send the Direct Payment Request Form to the Controller,
not Purchasing

Purpose

The City's procedures for replenishing revolving funds has changed. With the advent of ADPICS and Online FAMIS, the City began using a new form, and, effective today, it should be sent to a different office.

The way it was

To replenish revolving funds, departments used to prepare a Direct Payment Voucher, attach receipts of revolving fund purchases, and send the package to Purchasing. The form and its routing have changed.

The way it is now

Since July, departments have been using the Direct Payment Request Form for revolving fund reimbursements. Effective immediately, the form and its attachments should be sent directly to the Controller, **not** to Purchasing.

This information will be incorporated into the *Guide's* Chapter 300, "The Revolving Fund Purchase and the Direct Payment Voucher," when the Chapter is revised. The Chapter's title will also be revised.

Filing

Holders of the *Guide to Ordering Goods and Services* are receiving this Directive, Directive 95-14, an updated Table of Contents for the *Guide*, and an updated List of Directives.



October 10, 1995

Purchasing Directive 95-14

To : Department Heads, Accounting Offices, and
Holders of the *Guide to Ordering Goods and Services*

From : Edward Harrington
Controller
Edward Harrington
M. H. Geistlinger
Director of Purchasing
M. H. Geistlinger

Subject: (1) Elimination of the Material Received Report (MRR)
(2) Using the Encumbrance Payment Request Form, instead of the MRR, to Approve Invoices for Purchase Orders
(3) Two Revised Forms: Encumbrance Payment Request and Direct Payment Request
(4) One New Form: Direct Payment Request Addendum

Purpose

This memo explains two changes in procedures, and distributes two revised forms and one new form. First, for all departments, the Material Received Report (MRR) copy of the purchase order has been eliminated as a payment document. Second, for departments without online access to ADPICS and Online FAMIS, the Encumbrance Payment Request Form will be used to send invoices to the Controller for payment.

With the departmental copies of purchase orders we send to departments, Purchasing has begun including a copy of the Encumbrance Payment Request Form and a brief announcement of this procedural change.

Both the Encumbrance Payment Request Form and the Direct Payment Request Form have been revised, and copies of the latest versions (dated 8-07-95) are enclosed. The instructions are on the back of the forms.

Attachments

This memo has four attachments:

- A two-sided page describing how these procedural changes affect all departments. One side of the page describes procedures for departments using Online FAMIS, and the other side is for departments not using Online FAMIS.
- Encumbrance Payment Request Form (8-07-95). The instructions are on the back.
- Direct Payment Request Form (8-07-95). The instructions are on the back.
- Direct Payment Request Form Addendum. This form is just a continuation of the accounting area of the Direct Payment Request, and so does not have separate instructions.

(over)

Filing

Holders of the *Guide* are receiving this Directive, Directive 95-13, an updated Table of Contents for the *Guide*, and an updated List of Directives.

For More Information

If you have questions, please call your departmental fund accountant.

Departments with online access to ADPICS and Online FAMIS

The only change relates to the elimination of the MRR copy of the purchase order. However, this memo also includes information distributed earlier regarding how on-line departments record invoices.

The way it was

Before ADPICS, Purchasing sent all departments two documents at the time the purchase order was sent to the vendor:

- the departmental copy of the PO, and
- the MRR.

The way it is now

Effective immediately, you will not receive an MRR. Purchasing will continue sending a departmental copy of the PO. The information it contains is also available on-line by using ADPICS inquiry functions.

How to record invoices

There is no change to how invoices are processed. Please refer to the ADPICS Accounts Payable Processing training materials.

1. Department inputs invoices directly into ADPICS with reference to the Purchase Order and indicates whether the payment is a partial or final payment.

Departments without online access to ADPICS and Online FAMIS

The way it was

Before ADPICS, Purchasing sent all departments two documents at the same time the purchase was sent to the vendor:

- The departmental copy of the PO.
- The MRR.

After a purchase order invoice had arrived, a department would complete the MRR and then send the MRR and invoice to the Controller.

The way it is now

Effective immediately, Purchasing will send you only a departmental copy of the purchase order. The MRR has been eliminated.

To pay an invoice, you use the Encumbrance Payment Request Form, as described in the next section.

How to record invoices

Please refer to the materials which were distributed when the new Encumbrance Payment Request form was distributed in June, and to the Instructions on the reverse of the 8-07-95 revision of the form. The following is lifted almost verbatim from the "Online FAMIS Payment Processing" package.

1. Department prepares an Encumbrance Payment Request form and attaches all associated invoices.
2. This form can also be used for recurring and scheduled payments.
3. Indicate on the form whether payment is a partial or final payment.
4. Department approves the Encumbrance Payment Request and sends it to the Controller's Office for input.
5. Department receives monthly report indicating the payment document has been generated. This replaces the old Report 13.

Please note that the Encumbrance Payment Request Form is used to pay all of the following types of invoices:

- purchase orders (based on a Requisition for Purchase Order).
- departmental purchase orders (Prop. Q),
- releases from a Citywide or Departmental Blanket order,
- contract purchase orders.

FM _____ FY _____

DEPARTMENT
DEPARTMENT CONTROL NO.
DATE

(DOC PREFIX)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DBPO RELEASE NO.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

PURCHASE ORDER NO.

Vendor Name: _____

Vendor Remittance Address: _____

SCHEDULED PAYMENT (Y/N)

PARTIAL PAYMENT
FINAL PAYMENT

DUE DATE

Encumbrance Amount \$ _____

SUMMARY INVOICE/S INFORMATION

No. of Invoices Attached _____

Total of Invoices \$ _____

DEPARTMENT

Prepared By: _____

Phone # _____

Fax # _____

Approved By: _____
(Department Head)

CONTROLLER

Approved By: _____
DATE

Entered By: _____

ADDENDUM

ATTACHED

Nos. of Pages _____

Instructions for Completing the Encumbrance Payment Request Form

<u>Item</u>	<u>Title and Instruction</u>	<u>Performed by</u>
1.	FM FY. Enter the Fiscal Month and the Fiscal Year for this transaction. For example, FM = 01 for July, and FY = 96 for FY 1995-96.	Department
2.	DBPO Release No. If payment is for a Departmental Blanket Purchase Order (DBPO), enter the DBPO document number. This is the encumbrance document which will be liquidated by this payment.	Department
3.	Purchase Order No. If payment is for a Purchase Order, enter the Purchase Order number. This is the encumbrance document which will be liquidated by this payment.	Department
4.	Vendor Name. Enter the name of the vendor.	Department
5.	Vendor Remittance Address. Enter the vendor's payment address from the invoice(s).	Department
6.	Encumbrance Amount. Enter the Total encumbrance amount of the Encumbrance Document this payment is liquidating.	Department
7.	No. of Invoices Attached. Indicate the number of invoices you are attaching to this document for payment.	Department
8.	Total of Invoices. Enter the total amount of all the invoices you are attaching to this document.	Department
9.	Department. Enter the name of your department.	Department
10.	Departmental Control No. Departmental internal control number to track document.	Department
11.	Date. The date you are preparing this document.	Department
12.	Scheduled Payment (Y/N). Check here if this is a payment for an encumbrance with pre-scheduled payments. Attached supporting document for the payment you are requesting. Controller's Office will not approve the scheduled payment until this request is submitted. Include a copy of "Attachment of Scheduled Payment," and indicate the payment number you are requesting with this document.	Department
13.	Partial Payment. Check here if this payment request is a partial payment for the encumbrance Encumbrance Document indicated in the Encumbrance Document No. This payment will only liquidate the Encumbrance for the amount of the payment.	Department
14.	Final Payment. Check here if this payment request is the final payment for the Encumbrance Document indicated in the Encumbrance Document No. This payment will liquidate the entire encumbrance document.	Department
15.	Due Date. Enter the date you want the payment to be made to the vendor. Do not enter a date if you want Online FAMIS to calculate the due date based on the invoice date and vendor's payment terms.	Department
16.	DEPARTMENT: Prepared By: Enter the name of the person preparing this document.	Department
	Phone #. Phone number of the person above.	Department
	Fax #. Fax number of the person above.	Department
	Approved By: Signature of the person in your department who has authority to approve the payment(s) on this form.	Department
	Date. The date of approval by the department.	Department
17.	CONTROLLER: Approved By: Signature of the person in the Controller's Office approving this payment.	Controller
	Date. The date of approval by Controller's Office.	Controller
	Entered By: Name of person entering this payment document into Online FAMIS.	Controller
18.	Addendum Attached. Check here if you are attaching any supporting documents.	Department
19.	Nos. of Pages. Indicate the number of pages of your attachment.	Department

**ADPICS/FAMIS - FY 95-96
CITY/COUNTY OF SAN FRANCISCO
DIRECT PAYMENT REQUEST FORM**

DEPARTMENT
DEPARTMENT CONTROL NO.
DATE

(Doc. Prefix) (Document Number)

Doc. #

Vendor #

(Vendor Number) (Sfx.)

To: _____

Address: _____

Invoice # _____ FM _____ FY _____

Invoice Date _____ (mm/dd/yy) Multiple Payees

Date Received _____ Scheduled Payment Regular Vendor

Due Date _____ One-Time Payment One-Time Vendor

COMMODITY OR SERVICE CODE #		DESCRIPTION:													
PREPARED BY (Print)		APPROVALS (IF REQUIRED, SEE INSTRUCTION)													
Phone #		MATERIALS, SUPPLIES, & SERVICES													
APPROVED BY		PURCHASER													
DEPT. HEAD/BOARD OR COMMISSION		CHIEF ADMINISTRATIVE OFFICER													
Ln.	Trans. Code	Index Code	Sub-Object	User code	Grant	Detail	Project	Project	General Ledger	Subsid.	GL	Subsid.	Controller	Attended	Nos. of Pages
No.	Trans.	Suf.	Amount												

Instructions for Completing the Direct Payment Request Form

<u>Item</u>	<u>Title and Instruction</u>	<u>Performed by</u>
1.	To: Enter the name of the payee.	Department
2.	Address: Enter the complete remittance address of the payee.	Department
3.	Doc #. Online FAMIS will generate a document number when the transaction is entered.	Controller
4.	Vendor #. Enter the Online FAMIS Vendor # of the payee. A vendor number is always required unless this payment is for a One-Time Vendor or Multiple Payees.	Department
5.	Invoice #. Payment Transactions in Online FAMIS always require an Invoice Number. Enter the invoice number you are paying. If invoice does not have a number, use the vendor number and the invoice date as the invoice number.	Department
6.	Invoice Date. The date of the invoice.	Department
7.	Date Received. The date the invoice was received by the Department.	Department
8.	Due Date. Enter the date you want the payment to be made. Do not enter a date if you want Online FAMIS to calculate the due date based on the invoice date and vendor's payment terms.	Department
9.	Department. Enter the name of your department.	Department
10.	Departmental Control No. Departmental internal control number to track document.	Department
11.	Date. The date you are preparing this document.	Department
12.	FM FY. Enter the Fiscal Month and the Fiscal Year for this transaction. E.g., FM = 01 for July and FY = 96 for FY 1995-96.	Department
13.	Multiple Payees. Check this box if payment is requested for more than one payee. An "Attachment for Multiple Payees" must be attached to this document.	Department
14.	Scheduled Payment. Check here if you are requesting a scheduled payment. You must attach an "Attachment for Scheduled Payments." You must submit a request for Scheduled Payment for every scheduled payment.	Department
15.	One-Time Payment. Check here if this is a payment which will not be made again to the payee.	Department
16.	Regular Vendor. Check here if the vendor exists in the vendor file or should be added to the file.	Department
17.	One-Time Vendor. Check here if this is a payment which will not be made again to the payee and is not 1099-reportable.	Department
18.	Commodity or Service Code #. If the payment request is for Materials, Supplies or Services, enter Purchasing's Commodity or Service Code number.	Department
19.	Description. Describe what the City received for the payment.	
20.	Prepared by. Enter the name of the person preparing this document.	Department
21.	Phone #. Phone number of the person above.	Department
22.	Approved By. Signature of the person in your department who has authority to approve the payment on this form.	Department
23.	Materials, Supplies & Services--Purchaser. If the payment request is for Materials, Supplies or Services, Purchasing's approval is required.	Purchasing
24.	Chief Administrative Officer. If Purchasing's approval is required and the invoice is \$50,000 or more, then the CAO's approval is also required.	CAO
25.	Controller. Signature of person in Controller's Office approving this payment. Controller's approval is required for all payments.	Department
26.	ACCOUNTING LINE:	Department
	Ln. Code. Assign a line number for the transaction, beginning with 01.	
	Trans Code. Enter the transaction code for the event you are recording in Online FAMIS.	
	Amount. Amount of the transaction.	
	Index Code. Enter the index code. This identifies the organization, fund and program structure. It can also look up project, grant, user code, and expense or revenue type. Required.	
	Sub-object. Enter the sub-object code for the transaction line. Required.	
	User Code. Enter the user code for the department. Optional.	
	Grant. Enter the Grant identifier. Optional.	
	Grant detail. Enter the detail level for the Grant. Optional.	
	Project. Enter the Project identifier. Optional.	
	Project Detail. Enter the detail level for the Project. Optional.	
	General Ledger. Enter the General Ledger and Subsidiary if required by the transaction. Refer to Receipts Processing Transaction Requirements if this is required.	
27.	Addendum Attached. Check here if you are attaching any supporting documents.	Department
28.	Nos. of Pages. Indicate the number of pages of your attachment.	Department

