

# GL Accounts and Purchase Requisitions Guide

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# Process for Selecting GL Codes

## ❖ GL NUMBERS

- General Ledger number accuracy is important to the university.
- The [General Ledger Number Reference Guide](#) explains:
  - Financial Reporting – The university’s Annual Financial Report (AFR) rolls to the TSUS AFR, which rolls to the State of Texas AFR. The GL’s used for all expenditures, etc. are the source for the AFR.
  - Tax compliance for IRS 1099 reporting.
    - Some GLs are reportable transactions to the IRS and some are not.
    - Dollar amount on an individual transaction doesn’t matter as the vendor IRS reporting limit for taxable items is \$600 or more paid to the vendor for the calendar year.

# Process for Selecting GL Codes Cont.

- IRS penalties apply and accuracy helps avoid those unnecessary costs.
- The [GL Codes](#) page also includes:
  - General Ledger Number Reference Guide
  - AP Commonly Used GL's
  - AP Specially Used GL's
  - Asset Commonly Used GL's
  - Contracted Services GL's
  - Grant Commonly Used GL's
  - IT Commonly Used GL's
  - SAP GL Listing
  - Texas Comptroller Manual of Accounts and Instructions

**\*\*\***Note - If you are unsure of the correct GL code these resources are your starting point.

# Process for Selecting GL Codes Cont.

## ❖ REVIEW THE [GL CODES](#) WEBPAGE

- It is important to understand the information on the GL Number Reference Guide – it tells you what you need to know.
- Commonly Used GL listings have been updated with more examples.
- Not all examples from the Comptroller’s Manual of Accounts were added to these Commonly Used listings.
- The SAP GL Listing file format has been modified.
  - The Funds tab and all CLSD (closed) GL accounts have been deleted.
  - The tabs at the bottom break out the GLs by category and show the starting digits of the GL number.

Assets (1)

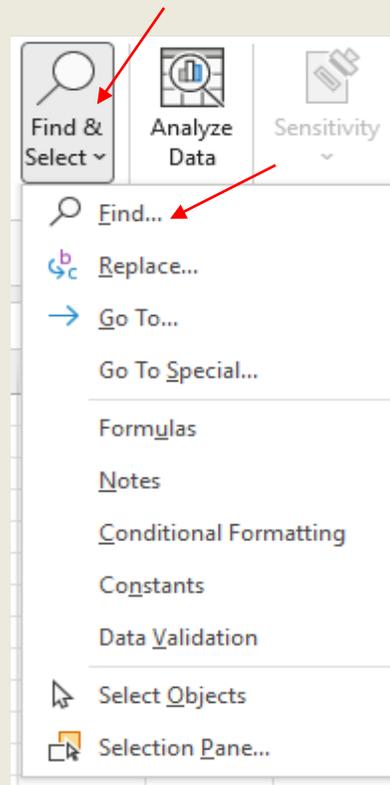
Liabilities (2)

Revenues (4)

**Expenses (7)**

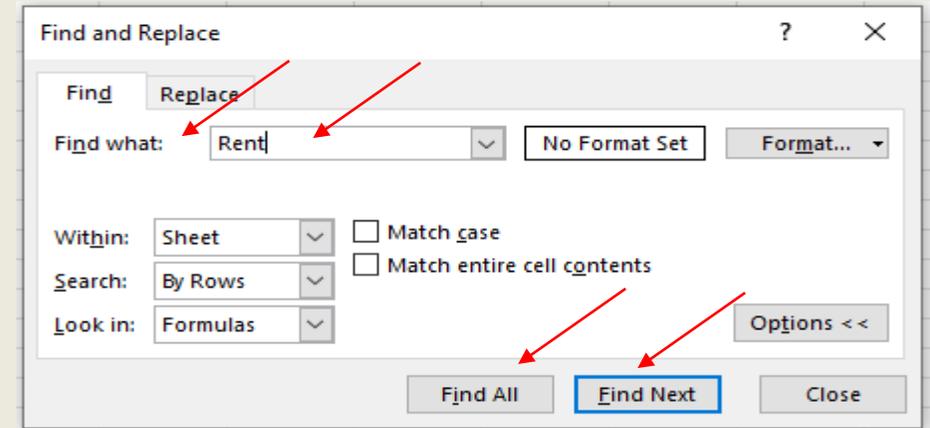
# Process for Selecting GL Codes Cont.

- Most documents you create will use a GL from the Expenses (7) tab. The Revenues (4) GLs are used if refunding previously collected income deposited to that GL.
- When using the SAP GL Listing, you can search for a term which may help find the correct GL number.
- Click on the Find & Select search icon at the top of the page and then select Find.



# Process for Selecting GL Codes Cont.

- Enter the key word in the “Find what:” box.
- Click on “Find All” box to see all the GL’s with the word in the name.
- Scroll through the GLs with that word in the name by clicking on the “Find Next” box.
- If not sure, go to the Comptroller’s Manual of Accounts and review the GL accounts that were “found” in the SAP GL Listing to determine the correct one for your expense.



740600	Rental of Furnishings and Equipment
747000	Rental of Space

# Process for Selecting GL Codes Cont.

REVIEW HOW TO USE THE

## [TEXAS COMPTROLLER MANUAL OF GL ACCOUNTS](#)

- The Comptroller Manual refers to Expenditure Codes as well as GL numbers.
- The GL numbers are 4 digits and SAP numbers are 6 digits with the first 4 digits matching the 4-digit numbering scheme on the Comptroller's site.
- You should be able to find the corresponding GL in the SAP GL Listing by starting with the 4 digits from the Comptroller's site. The SAP numbers typically have 00 at the end.
- Some of the university expenditure GL numbers end in 01, 02, 03, etc. That is because TX State has broken the GLs into more granular numbers for its use (e.g., GLs ending on 01 are typically used for Grant expenses).

# Process for Selecting GL Codes Cont.

This is the landing page from the [GL Codes](#) link.

<https://fmcpa.cpa.state.tx.us/fiscalmoa/>

- Note the statement on the Manual of Accounts in the small print. It references “...properly recording accounting transactions.” GL numbers matter!

**Texas Comptroller Manual of Accounts**  
A detailed chart of accounts for the Uniform Statewide Accounting System (USAS)  
Fiscal Year 2022

**Browse**

- [State Agencies](#)
- [Appropriated Funds / General Revenue Accounts](#)
- Comptroller Object Codes:**
  - [Expenditures](#)
  - [Revenues](#)
  - [Budgetary](#)
  - [Transfers](#)
- [General Ledger Accounts](#)
- [Function Codes, Source Codes and Object Groups](#)

**Ad Hoc Reports**

Create a customized report with [Ad Hoc Reports](#).

**Substantive Changes**

A list of [substantive changes](#) to this manual is compiled periodically. To receive a notification when the list is published, please subscribe to [FMXtra](#).

**Search**

Search terms:

Active records only

Match on whole terms only

Match exact phrase

Match case

Show titles only

Areas to Search (check all that apply)

All Available

Agencies and Universities

Appropriated Funds (all types)

- GR Accounts
- All Other Funds

Comptroller Objects (all types)

- Revenues
- Expenditures
- Budgetary
- Transfers

General Ledger Accounts

The *Texas Comptroller Manual of Accounts* is a guide for preparing and submitting state of Texas source transactions. The manual provides current information on state agencies, appropriated funds, general revenue accounts, object codes and general ledger accounts to be used in properly recording accounting transactions.

# Process for Selecting GL Codes Cont.

- Enter a descriptive word for the expense item you plan to procure in the “Search terms:” box. Click the Expenditures box below and then click Search.

**Search**

Search terms:  
Consumables

Active records only  
 Match on whole terms only  
 Match exact phrase  
 Match case  
 Show titles only

Areas to Search (check all that apply)

All Available  
 Agencies and Universities  
 Appropriated Funds (all types)  
     GR Accounts  
     All Other Funds  
 Comptroller Objects (all types)  
     Revenues  
     Expenditures  
     Budgetary  
     Transfers  
 General Ledger Accounts

**Search**

# Process for Selecting GL Codes Cont.

- The website will provide all the GL's that have that search term whether in the name or the examples.
- The manual displays all references to that number and shows how many matches there are.

### Search

Search terms:

Active records only  
 Match on whole terms only  
 Match exact phrase  
 Match case  
 Show titles only

Total matches: 2

Areas to Search (check all that apply)

- All Available
- Agencies and Universities
- Appropriated Funds (all types)
  - GR Accounts
  - All Other Funds
- Comptroller Objects (all types)
  - Revenues
  - Expenditures
  - Budgetary
  - Transfers
- General Ledger Accounts

### Comptroller Objects (2 matches)

[Expenditure Object 7300 - Consumables](#)  
Computer Consumables  
Consumables  
Personal Computer (consumables)  
Supplies (computer consumables)

[Expenditure Object 7335 - Parts - Computer Equipment - Expensed](#)

This code does NOT include:

- Computer equipment -- controlled (7378)
- Computer equipment - expensed (7377)
- Lease purchase of computer equipment (7385)

Fiscal Determination Rules for consumables apply.

# Process for Selecting GL Codes Cont.

- Click on the GL link for the GL number (Expenditure Object) and more information and examples will display.
- Note the statement that the “Expenditure code ##### includes but is NOT limited to:” referring to the list of examples.
- Use the gray sidebar to scroll through more examples for the GL account.
- The “Note” section lists items not included in the GL account and lists the GL numbers for those items.

 [Texas Comptroller Manual of Accounts](#) - Fiscal 2022  
**Expenditure Object 7300 – Consumables**  
Active

**Description**

To record payment for consumable items.

Expenditure code 7300 includes, but is **NOT** limited to:

- Adhesive Tape
- Air Filter (other)
- Aluminum Foil
- Ammunition
- Appointment Book
- Arts and Crafts (wards of the state)
- Badges
- Baking Soda
- Balloons
- Batteries (other)
- Battery Pack
- Blades (razors)

**Note**

This code does **NOT** include:

- Cartridges (computer, refurbishing as part of repair/maintenance) (7267)
- Motor vehicle, machinery and equipment parts (7330)
- Medical supplies (7312)
- Food (7315), (7316)
- Farm, ranch and nursery supplies (7328)
- Road and highway materials (7328)
- Hardware and materials (7328)
- Stationery, (printed) (7273)
- Promotional items (7309)

# Process for Selecting GL Codes Cont.

- You can also search by a GL number in the “Search terms:” box (e.g., enter the rent 4-digit number 7406 from the above example) to go directly to that GL account for the description and examples.
- Enter the GL number and click on the “Search” button.

**Texas Comptroller Manual of Accounts**  
A detailed chart of accounts for the Uniform Statewide Accounting System (USAS)  
Fiscal Year 2022

**Browse**

- [State Agencies](#)
- [Appropriated Funds / General Revenue Accounts](#)
- Comptroller Object Codes:**
  - [Expenditures](#)
  - [Revenues](#)
  - [Budgetary](#)
  - [Transfers](#)
- [General Ledger Accounts](#)
- [Function Codes, Source Codes and Object Groups](#)

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**Substantive Changes**

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**Search**

Search terms:  
7406

Active records only  
 Match on whole terms only  
 Match exact phrase  
 Match case  
 Show titles only

Areas to Search (check all that apply)

All Available  
 Agencies and Universities  
 Appropriated Funds (all types)

- GR Accounts
- All Other Funds

 Comptroller Objects (all types)

- Revenues
- Expenditures
- Budgetary
- Transfers

 General Ledger Accounts

**Search**

The *Texas Comptroller Manual of Accounts* is a guide for preparing and submitting state of Texas source transactions. The manual provides current information on state agencies, appropriated funds, general revenue accounts, object codes and general ledger accounts to be used in properly recording accounting transactions.

# Process for Selecting GL Codes Cont.

- Again, the number of matches is displayed.
- Note the first reference in this example (7277) includes the GL number entered (7406) and states that rented uniforms are not recorded to GL 7277 but the correct GL for rental of uniforms is 7406.
- Click on the link for the GL number you were searching for to get all the information on that GL.



[Texas Comptroller Manual of Accounts](#)  
**Search**

## Search

Search terms:

7406

- Active records only
- Match on whole terms only
- Match exact phrase
- Match case
- Show titles only

Search

Total matches: 2

Areas to Search (check all that apply)

- All Available
- Agencies and Universities
- Appropriated Funds (all types)
  - GR Accounts
  - All Other Funds
- Comptroller Objects (all types)
  - Revenues
  - Expenditures
  - Budgetary
  - Transfers
- General Ledger Accounts

## Comptroller Objects

(2 matches)

### [Expenditure Object 7277 - Cleaning Services](#)

This code does NOT include:

- litter retrieval services (7270)
- payments to temporary employment agencies (7274)
- petroleum storage tank clean up (7282)
- cleaning and maintenance of swimming pools (7338)
- rentals of uniforms (7406).

### [Expenditure Object 7406 - Rental of Furnishings and Equipment](#)

[End of Search Results]

# Process for Selecting GL Codes Cont.

- Use the gray scroll bar to see more examples and review the “Note” for items not included in this GL.
- Travel GLs are located at [Travel GL Matrix](#).
- *Concur Travel has the GL numbers in the background of the selected expense category. When using Concur, you will not need to be concerned about the GL number.*
- *Travel e-NPOs are now only used for third-party vendor payments such as bus charters and direct billed lodging.*



[Texas Comptroller Manual of Accounts](#) - Fiscal 2022

## Expenditure Object 7406 – Rental of Furnishings and Equipment

Active

### Description

To record payment for the rental or lease of furnishings and equipment not mentioned elsewhere.

Expenditure code 7406 includes, but is **NOT** limited to:

- Copy Machine (copy overage)
- Copy Machine (rental)
- Costume Rental
- Cylinders (rental)
- Equipment (rental)
- Equipment Rental (without operator)
- FAX Machine (rental)
- Floor Mats (Rental)
- Ice Machines (rental)
- Industrial Equipment (rental)
- Medical Equipment (rental)
- Minor Equipment (rental)

### Note

This code does **NOT** include:

- Rental of equipment with a driver (7299)
- Demurrage (7210)
- Beeper and pager rentals (7522)
- Mobile phones (7522)

# GL TIPS FOR YOUR DEPARTMENT

- As shown in this training, not all examples are included on the Commonly Used GL listings on the AP [GL Codes](#) website. The examples are what most university departments might use but may not include the items used by your department.
- A best practice is to create a listing of the GL's routinely used by your department with examples for the items purchased for your operation.
  - You can customize and add to that listing as you either purchase new items/services (add examples) or are informed of a required GL correction on a PR or e-NPO.
  - This will save you time in the future by eliminating the need/time to make GL corrections.

Remember the statement on the Comptroller's guide – **"...properly recording accounting transactions."** This is a directive that GL accounts are to be correct. The Comptroller's Manual of Accounts is a resource for that. So are the GL listings at [GL Codes](#).

# INVOICES RECEIVED OUTSIDE OF AP

- If you receive goods or services from a vendor and did not complete the PR process before engaging with the vendor, then it is an after the fact payment request.
  - Your first option would be to ask the vendor if you can pay the invoice by P-Card. That is the best practice for low-dollar purchases.
  - If not, enter the invoice information as an e-NPO. The invoice dollar amount should be low, (related to your department's operation) typically under \$500 and the expense should not be a recurring charge. **You must state on the e-NPO why a PO was not used rather than following the [UPPS 05.02.02](#) requirements. This provides documentation for audits since the policy wasn't followed.**
  - If the invoice amount is greater than \$500 and you process as an e-NPO, (if the P-Card is not an option) again you will need to state why the PO process was not used.

# INVOICES RECEIVED OUTSIDE OF AP

- If the e-NPO is for a large dollar amount, then additional PSS review is involved, and it may be rejected back for a PR.
- If at one time there was a PO for this vendor and the billed expense, but the PO has already been closed, then enter the e-NPO and reference the original PO number in the comments on the e-NPO. You do not have to create a new PO as the reference to the original PO will suffice for policy compliance during an audit.
- If you have a PO but the vendor sent the invoice to your department rather than AP (as stated on the PO at the top right):

**Section 2 - Invoices - (Texas State is Sales Tax Exempt):**

**Email invoice to [payables@txstate.edu](mailto:payables@txstate.edu) or mail original to:**

Texas State University

P.O. BOX 747 San Marcos, TX 78667-0747

Payment Terms: Per Texas Govt Code Sec 2251 unless noted.

Failure to email or mail invoice as per the above will delay payment.

# INVOICES RECEIVED OUTSIDE OF AP

- Ensure all the information on the AP Stamp is on the invoice:
  - **IRD** (*Invoice Received Date*)
  - **SCD** (*Service Completion Date*)
  - **GRD** (*Goods Received Date*) if delivered to your department and the PO did not have a GR requirement on it
  - **PO#** (*Always needed to pay a vendor invoice*)
  - **Approval**
- Your department should have this stamp to ensure all the information is provided on the invoice to avoid further emails for missing information.
- Dates are required to determine the baseline date (which is the later of the invoice received or goods/services received date) and for compliance with the Texas Prompt Pay Act.

# USEFUL LINKS to RESOURCES

[P&SS Resources](#)

[AP Resources](#)

[How to Modify the Layout on FBL1N](#)

[How to Search for Vendor Payment Information](#)



# Select Vendor & State what Purchase is for

- In the requisition header, tell the who, what, when & why for the goods OR services you are procuring in the HEADER NOTE TAB:

The screenshot displays the SAP 'Create Purchase Requisition' interface. At the top, the title bar reads 'Create Purchase Requisition'. Below it, there are fields for 'Local purchase req' and 'Source Determination'. The 'Texts' tab is active, showing a list of text entries. The 'Header note' entry is selected, and its content is displayed in a text box: 'Purchasing I Leopold LGL52', 'Purchase 50 bags to give to vendors at HUB event on Jan 15, 2022', 'Caprice: TXST-UNIVSOL-2021-5898-PROCURE', and '12/16/2021-1/15/2022'. Below the text box, there is a dropdown menu set to 'Continuous-text...' and a note: 'Text adopted from Purch. Requisition (Header note)'. At the bottom, a table shows the requisition details:

St...	I	A	Short Text	Quantity	Unit	Val. Price	Total Value	GR	Matl Group	PC...	PGr	Vendor	Mi...	Delivery Date
▲		K	Promotionl Bag Give A Way	50	EA	7.50	375.00	<input checked="" type="checkbox"/>	Goods, Sup...	99	CPO	19767	W...	01/10/2...
								<input type="checkbox"/>			CPO			

In this example we are purchasing 50 bags to give away. **Mark your Material Group as a G1** as a goods receipt will be required with the expected Delivery Date.

**NOTE: AP will require the GR to be added to the PO before they can issue payment.**

The screenshot displays the SAP Purchase Order (PO) Item Details for item [ 10 ] Promotionl Bag Give A Way. The table below shows the item's configuration:

St...	Matl Group	PC...	PGr	Vendor	Mi...	Delivery Date	POrg	Stor. Loc.	Plant	Do...	Auto Req	TBPC ...	TBPC ...	Tracking...	Requis
▲	Goods, Sup...	99	CPO	19767	W...	01/10/2...	7540	Purchasing	Texas State ...	NB					LGL52
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					
			CPO						Texas State ...	NB					

Below the table, the 'Item' dropdown is set to [ 10 ] Promotionl Bag Give A Way. The 'Valuation' tab is active, showing a Valuation Price of 7.50 USD and a Total Value of 375.00 USD. The 'Goods receipt' checkbox is checked, along with 'Inv. Receipt' and 'GR Non-Val.'.

Enter the **CORRECT GL Code**: This example is a promotional give a way GL = 730900

Item [ 10 ] Promotionl Bag Give A Way

Quantities/Dates Valuation Account Assignment Source of Supply Status Contact Person Release strategy T...

AccAssCat Cost center Distribution Single account assignme... CoCode Texas State ...

Unloading Point Recipient

G/L Account 730900

CO Area 754

Cost Center 1410140000

Fund 2027851000 Grant NOT\_RELEVANT\_FOR\_GM

Functional Area 1300

Funds Center 1410140000

Earmarked funds Commitment item 730900

**IS YOUR FUNDING CORRECT FOR THE RIGHT FISCAL YEAR?**

Check before you issue your requisition.

Don't forget to mark if the purchase is tied to covid: **YES or NO is required on every requisition**

The screenshot shows a software requisition form with the following fields and tabs:

- Item: [ 10 ] Promotionl Bag Give A Way
- Tabs: Source of Supply, Status, Contact Person, Release strategy, Texts, Delivery Address, Customer Data (highlighted with a red arrow)
- Priority Ind. (HUB): WOF Women Owned Minority
- Contract Type/PCC Code: 99
- Contract Num: [Empty]
- Work Order: [Empty]
- Phase: [Empty]
- Aim PO: [Empty]
- PO Type: [Empty]
- Aim Material Req: [Empty]
- COVID-19: No (highlighted with a red arrow)
- Software Questions: Security & ADA

## Reminders:

- Any and all **GL asset items** (controlled and capital) will require an **asset tag**. Contact Materials Management to assign the asset tag.
- All requisitions require workflow approval before it becomes a PO.

# PO CHANGES MADE ON THE PR

- Purchase Order (PO) Changes – What is the process and why?
- When AP is processing an invoice against a PO and determines the PO is incorrect due to a GL error:
  - The department is provided with the correct GL and must make the change on the Purchase Requisition (PR).

- **All SAP Purchase Orders, all GL changes are made at the requisition level.**
  - **You must delete the incorrect line on the REQ using **SAP TCODE: ME52N** and issue a new line with the correct GL/Save.**
  - **Workflow approval required**, once approved purchasing will delete the incorrect line, add the new line and send a PO revision and AP will be able to pay the invoice.

**All Marketplace Purchase Orders, Purchasing is allowed to issue changes to the PO direct only with AM approval sent in an email.**

- The Department must be specific in what needs changed, get their account manager to approve it in an EMAIL; Send approved email to [purchasing@txstate.edu](mailto:purchasing@txstate.edu) for the PO change.
- NOTE: We will not issue changes via attachments (**everything must be in email explaining the changes needed**)

## **USEFUL LINKS to RESOURCES**

[PSS Resources](#)

[AP Resources](#)

[How to Modify the Layout on FBL1N](#)

[How to Search for Vendor Payment Information](#)

## **QUESTIONS AND SUGGESTIONS**

- Please ask any questions on this material.
- Please offer any suggestions on how to improve this material.

# MARKETPLACE VENDORS USING ELECTRONIC INVOICING

- **What is an Electronic Invoice?** This is an invoice that is generated at the point the Vendor ships against the PO.
  - Marketplace vendors are set up to use electronic invoices.
    - Vendors that have a punchout.
    - Note, not all Marketplace vendors are using Electronic Invoices. This includes non-catalog orders from vendors that have a tile/punchout for other items. (Key Staff and Priority)
- Vendors using electronic invoices are received through an electronic data feed sent to TX State. The software reads the invoice data and compares it to the Marketplace PO to validate the order (quantity and pricing) for automated posting to the correct PO line without manual intervention.
  - If the PO requires a GR, the item will not be released for payment until the GR is completed.
  - If no GR is required (i.e. Staples), the invoice posts and is paid on the next AP payment run.
  - If there are variances, then AP must manually review the invoice and process for payment.

# MARKETPLACE VENDORS USING ELECTRONIC INVOICING

- The Electronic invoices are automatically attached to the PO in Marketplace.
  - If there is an issue and AP has to manually resolve and post the invoice, then the invoice is not attached to the Marketplace PO. Email [payables@txstate.edu](mailto:payables@txstate.edu) if you require an invoice copy and can't find it on the Marketplace PO.
- Review [How to View an Invoice on a PO to view](#) the EDI Vendor invoice in Marketplace.
- Remember, Marketplace POs are not closed if there are extra encumbrances. You will need to contact PSS to close that PO if no more activity is expected.

# e-NPOs AND WORKFLOW

- Be familiar with the [e-NPO Procedures](#) (for AP and Travel) to ensure you understand all steps required for this process.
- If you haven't read these procedures, you should do so. Understanding the process and the requirements will save you time and having to correct the e-NPO.
- When using the e-NPO procedures, you can click on the topic from the Contents page, and it will take you directly to that page in the procedures.
- The webpage also has the following resources:
  - The e-NPO Checklist
  - The e-NPO Workflow
  - The e-NPO Certification Statement
- The GL number selection process for e-NPOs is the same as described above. You may have to do some research to find the correct GL number for the expense incurred.

# e-NPOs AND WORKFLOW

- Much like the purchase requisition workflow, e-NPOs have a workflow associated with them.
- The workflow is built around the funding source (Account Manager) but also other departments such as Information Technology, Tech Resources, Information Security, Purchasing, Cabinet Officer (if Alcohol or a policy exception) and Tax Compliance.
- AP is the last stop in the workflow and the final review that the GL number is correct (and all requirements met) before releasing for payment.

**Note:** if there is a contract associated with the vendor an eNPO will not be excepted.