1. Standing Order, Standing Order – Government Fiscal Year

A Standing Order is an order that establishes a relationship between a vendor and the University for a certain dollar amount over a certain period of time. This creates efficiencies for both parties. Although these orders can be created to cover many scenarios, an example would be a Facilities Department that needs to shop at a local hardware store. The Department knows that over the course of the fiscal year it will spend about $4,000 at the store. To avoid creating a Purchase Order every time an employee goes to the store, a Standing Order for $4,000 is created. Employees need only go to the store, pick up what they need and tell the store to charge it to the Standing Order PO number.

This approach allows several departments to have similar relationships with the vendor without confusion over who is paying for what. When invoices are sent to the University for these goods, it is clear what ChartField combination should be charged.

No receiving is required for items purchased under a Standing Order. Matching is two-way: purchase order and voucher.

The only difference between a Standing Order and a Standing Order-Government Fiscal Year is the time period of the order. The federal government uses a fiscal year of October 1 – September 30.

To create a Standing Order, create a normal requisition with the following differences:

- Select the PO Type of Standing Order or Standing Order-Government Fiscal Year.

- In the requisition line, set the Req Qty to the dollar amount for the Standing Order. Set the Price field to 1. Select an appropriate Category and use the UOM “EA.”

- In the item description field specify what can be purchased using this order, a list of persons authorized to do the purchasing, and the dates

NOTE: This quick guide assumes a familiarity with the Requisitions and Receiving process. See the Requisitions and Receiving manual for a detailed look at this process.
that the order is valid. Use whatever language your campus requires for Standing Orders. If there is not enough room in the description field, use Line Comments as well.

As an alternative, your campus may want to enter the ChartField string for that line, making it easier for Accounts Payable staff to select the correct lines to charge. If you do this, you will want to check the “Do Not Print Line” checkbox at the bottom of the line details page so the vendor is not confused by a line that contains a ChartField string.

If you use the line description field for a ChartField string, use Line Comments to enter information that the vendor will see. For example:

“This is a standing order for paint supplies. It should not be used for equipment purchases. The authorized users are: Jane Doe and Joe Jones. Standing order valid through June 30, 2006.”

Enter more lines if needed in the requisition. For each line in the requisition, select the line and click the Schedule tab, as is done for all requisitions. Click the Distribution link and enter one or more ChartField combinations for the line. Click OK, and save the requisition.

NOTE: No receiving is required for Standing Orders.

2. Standing Order – Fixed Payment

A Fixed Payment Standing Order handles a series of fixed payments such as lease or rent payments. The payment is the same each time and the payment intervals are fixed (monthly, yearly, etc.). The term of the Order may span more than one year and so will the encumbrances.

To set up a Fixed Payment Standing Order, proceed as for a normal requisition, with the following differences.

- In the Header, select PO Type “Standing Order – Fixed Payment.”

- Enter one line in the requisition, and describe the payments in the description field (e.g., “lease of office space for 3 months @$1200 per month”).

- Put the number of payments in the Req Qty field.

- Put the dollar amount of one payment in the Price field. See the example below:
Click the Schedule tab, and on that page click the Distribution link.

On the Distribution page, create a distribution line for each payment (use the button on the far right side of the window to add more distribution lines).

In each Distribution line, enter 1 in the Req Qty field. If you click the button, you will see all the amount, percent, etc., fields correctly populated (see next image).

- To create a Standing Order with no encumbering, use an Account ChartField value of 16010. This is a Purchase Order Clearing Account set up just for this purpose. When a voucher is entered against the order, the Account code should be changed to the appropriate one.
Click the “More Details” tab and in each Distribution line in the “Budget Date” fields, enter the payment dates:

![Distribution Information Screenshot](image.png)

### 3. Standing Order Renewal

Towards the end of the fiscal year, or whatever time period is specified for the Standing Order, an Administrator will initiate a process to generate new requisitions from existing Standing Orders. This avoids the need for Requisitioners to re-enter Standing Orders from scratch each year.

The new Standing Order requisitions will have their Accounting Dates set to the date when they go into effect – for example, July 1. The new requisitions will have their “Hold From Further Processing” boxes checked.

The Requisitioner will review his/her department’s new Standing Order requisitions, making any changes necessary. For example, the dollar amount might be reduced if the previous year’s Standing Order was not completely used. After making any necessary changes, the Requisitioner unchecks the “Hold From Further Processing” box and saves.

The new Standing Order requisitions then go through the normal approval process. If approved, they will be sourced to purchase orders and sent to the vendor on their Accounting Dates.