

# Deltek Costpoint Procurement

## Improve control and lower costs with Integrated Procurement

### Benefits:

- » Purchasing commitment visibility
- » Projects remain profitable
- » Compliance support
- » Complete audit history
- » Meet inventory demand
- » Materials inspection
- » Automatic flow to Costpoint financials
- » Manage subcontractor agreements\*
- » Delivery schedule

### Businesses Depend on Procurement

Every business today performs some type of procurement, whether it's for subcontract services, computer equipment, office supplies or parts for inventory. Without a procurement process in place, a company wouldn't be able to obtain goods or services necessary to do business. Given that procurement is a standard business practice, it's crucial that a company uses a system that meets its purchasing demands, while enforcing company policy and obtaining quality items for the best price.

### What is Deltek Costpoint Procurement?

Deltek Costpoint's Procurement solution is an integrated suite of modules that includes Procurement Planning, Purchasing and Receiving. It helps companies to manage the process of buying the parts, goods or services they need to achieve their business objectives. Specific capabilities include managing requests for quotes, tracking supplier quotes, creating and approving purchase requisitions, generating purchase orders, tracking changes to those orders, reviewing and accepting parts, goods and services—all of which support a two-way or three-way match in Accounts Payable.

### Compliance

Costpoint Procurement was designed specifically to help you manage government contracts, having compliance support built right in.

The solution enables companies doing business with the government to efficiently and accurately procure parts, goods or subcontractor services. At the time of a CPSR (Contractor Purchase System Reviews) audit, the business will be able to show that proper procedures have been followed for project purchases. This includes quotes and costs for procured items, requisition approvals, procurement changes, and segregation of duties across the project workforce and entire company.

### Small Business Reporting

Most government contractors are required to report their purchases awarded to small businesses by project, but often struggle to provide the information quickly and accurately. Costpoint Procurement captures this and other pertinent information at the beginning and throughout the project lifecycle so that you can quickly pull reports with real-time data.

### Collaboration

Want to mitigate risk to ensure you have enough material, but are not overbuying? Set up requisition approvals to stay in control of purchases and prevent overbuying or buying unnecessary items. Costpoint Procurement keeps all procurement data in one system. It automates the data flow so that teams use the same vendor, requisition and cost data, having the ability to track a requisition through procurement, receiving, inspection, and accounts payable.

## How does Procurement work?

Costpoint Procurement enables buyers to streamline the procurement process, including obtaining supplier quotes, supplier selection, negotiation of price and delivery dates, contract negotiation, expediting and managing change. As the purchase requisition moves through the procurement process, it is constantly updated with information so the requisitioner can view the status of the request at any point. This includes from requisition entry or generation through the receipt and payment of invoice to the supplier. Once the requisition is approved, the buyer can generate purchase orders to fill the request. These purchase orders

will generate new project commitments. The Purchase Order displays the end result of the procurement process. Every purchase line requires a valid project, account and organization; this allows project expenses to be posted properly through Accounts Payable and provides even tighter control on spending. As the parts, goods or services have been received and accepted, Accounts Payable can process vendor invoices in Costpoint for approval and payment. The purchase order voucher is then approved and is posted automatically to the General Ledger in Costpoint. The expense or cost is recognized on the project and purchase commitments are received.

**Manage Purchase Orders**

Purchase Order ID: PO-0000134 | Release: 0 | Change Order: 0 | Type: Subcontractor Agreement | Trans Currency: USD

Buyer: 11 | Humphreys, Melody | Organization: | Status: Open

Vendor: V100013 | Balmar Consulting | Procurement Type: | Load Part/Rev ID:

Order Date: 02/12/2018

Sales Tax/VAT Total: 0.00 | PO Total: 292,500.00

**Purchase Order Lines**

PO Line #	Line Type	Status	Item	Rev	Description	Quantity	UOM	Net Unit Cost	Extended Cost	Part Security	Inv Abbrev	Misc Type	Due Date	Order Date	Desired Date	Original Due Date
1	S	Open	S-DEVELO		S-DEVELOPER	1	HR	100.00	100,000.00	NA			02/12/2018	02/12/2018	01/15/2018	01/15/2018

Costpoint procurement provides the structure to keep contract requirements intact, internally and to vendors and subcontractors.

**Requisition Status Inquiry-HDR**

Requisitioner: 1065 | Parker, Donald K | Requisitioner Org: 01.02.01 | Project: 99002

Project Selection Criteria: Begins With

Select Requisition Status:  Pending,  In Approval,  Approved,  Rejected,  Closed,  PO Generated,  Void

**Requisition Status Inquiry**

Requisition	Req Rev	Subcontractor Agreement	Status	Requisition Date	Requisitioner	Requisitioner Name	Requisitioner Org	Organization Name	Trans Currency	Est Total Amt	Func Curr Est Total Amt	Buyer	Buyer Name	Approval Process
PR-0000084	0	<input type="checkbox"/>	PO Generated	12/18/2017	1065	Parker, Donald K	01.02.01	Manufacturing	USD	251,800.00	251,800.00	12	Davidson, Mark	APPRMGRS Approval M
PR-0000085	0	<input type="checkbox"/>	PO Generated	01/29/2019	1065	Parker, Donald K	01.02.01	Manufacturing	USD	201,300.00	201,300.00	12	Davidson, Mark	APPRMGRS Approval M
PR-0000086	2	<input type="checkbox"/>	PO Generated	02/05/2018	1065	Parker, Donald K	01.02.01	Manufacturing	USD	300.00	300.00	12	Davidson, Mark	APPRMGRS Approval M
PR-0000088	0	<input type="checkbox"/>	PO Generated	03/29/2018	1065	Parker, Donald K	01.02.01	Manufacturing	USD	201,300.00	201,300.00	12	Davidson, Mark	APPRMGRS Approval M
PR-0000090	0	<input type="checkbox"/>	PO Generated	04/09/2018	1065	Parker, Donald K	01.02.01	Manufacturing	USD	1,000.00	1,000.00	12	Davidson, Mark	APPRMGRS Approval M
PR-0000092	0	<input type="checkbox"/>	PO Generated	04/20/2018	1065	Parker, Donald K	01.02.01	Manufacturing	USD	300.00	300.00	12	Davidson, Mark	APPRMGRS Approval M
PR-0000094	1	<input type="checkbox"/>	PO Generated	05/01/2018	1065	Parker, Donald K	01.02.01	Manufacturing	USD	1,000.00	1,000.00	12	Davidson, Mark	DIR_PROJ Direct Proje

**Requisition Status Inquiry-HDR > Req Lines**

Requisition: PR-0000085 | Status: PO Generated | Trans Currency: USD | Approval Process: APPRMGRS

Req Line	Line Status	Type	Item	Item Rev	Description	Part Security	Misc Type	Requested Date	Requisitioned Qty	Generated Qty	Req UOM	Ext Cost Type	Ext Net Unit Price	Est Ext Amount	Line Charges	Est Line Total	Approval Process	Approval Process De
1	G	P	TB-CF-54D291		Toughbook 54 Lite 14"-Core i5 6300U-4	Unrestricted		12/15/2017	100	100	EA	IL	2,013.00	201,300.00	0.00	201,300.00	APPRMGRS	Approval Managers

The Purchase Requisition Status report provides complete visibility from requisition through check.

## **What Purchase Order (PO) Types Does Procurement Support?**

Costpoint's procurement offering supports various types of purchase orders. These purchase order types include standard purchase orders, blanket purchase orders with releases, subcontractor agreements, subcontractor blanket agreements with release and Government Furnished Material or Equipment purchase orders.

### **Standard Purchase Orders**

Standard purchase orders are the most common type of purchase order to support day-to-day business operations or replenish inventory. These procured items include anything from services, subscriptions, office supplies, or IT equipment or raw materials. These purchase orders typically track deliverables against each PO line and require a 3-way match for processing, which includes purchase, receipt and supplier invoice. Services or non-tangible items can also be procured using a 2-way match where receiving is not required, but matching of the purchase order and approved invoice complete the process.

### **Blanket Purchase Orders with Releases**

Blanket purchases are more open-ended than standard purchase orders and vary from very specific to non-specific. Blanket orders typically have a set dollar amount and a period of performance. The supplier does not deliver on the blanket order itself, and instead waits for a blanket release to be received. An example of a blanket order might be with Staples for office supplies. The overall agreement may be for the calendar year and have a set value of \$1200. Once a month, a release may be entered for specific items that need to be delivered.

### **Subcontractor Agreement\***

The subcontractor agreement is primarily used to acquire subcontract services. This order may be very complex, including the resources required, their standard rates, security requirements, and can go down to specific supplier employee. This type of purchase order generally contains a detailed statement of work, outlining exactly what service is to be performed.

### **Subcontractor Blanket Agreement and Releases**

The subcontractor blanket agreement is very similar to the blanket purchase order and can be more open-ended than the subcontractor agreement. Blanket orders typically have a set dollar amount and a period of performance, and require individual releases to authorize any work to be performed.

### **Government Furnished Materials or Equipment (GFM/GFE)**

GFM and GFE are purchase orders where the government or the customer is supplying the materials or equipment. These purchase orders have no financial impact or project commitments. It's important to know when all materials or equipment are due to arrive at the company's site. The GFM/GFE purchase order allows complete tracking of the order, as well as the ability to quality control materials if required.

### **Why are these PO types valuable?**

Support for these different PO types is valuable to users because it provides them with multiple options for managing their business operations and procurement requirements. Users will benefit from more flexibility to allow for purchasing of items all within one system, specific GFM/GFE order types for better customer service to the government agencies, improved efficiency in the supply chain, a more productive purchasing department and increased ability to negotiate prices with vendors.

### **Complete Visibility**

Within Procurement there is full integration and visibility from request for quote to vendor payment for all purchases, including services, subcontracts, government furnished property, and goods and parts for resell or manufacturing. Project managers have visibility into purchase commitments by date or by period. At any point in time, the project manager can view all outstanding commitments against their project prior to any costs being incurred, either in summary on the project status report, or in detail on the purchase commitments report. Commitments include open purchase order line items, received and accepted items, and vouchered invoiced items that have not been posted to the General Ledger.

### **Accurate Project Costing and Streamlined Processing**

From the time a requisition is entered or created in Costpoint, it must have charge information included for the project/account and organization for each requisition line. Approvers validate this information and approve the spend prior to buyers creating a legal purchase order. When items or services are received, accounts payable is directly fed the details from the purchase order, helping to ensure proper project costing.

### **Better Decision Making**

Detailed audit information is maintained within Costpoint from requisition to check, including all vendor quotes, requisition approvals, purchasing history, vendor performance on delivery and quality. This information, particularly historical purchasing data, equips buyers for successful future purchases and decision making.

**Learn more about how you can automate, analyze and align your procurement processes.**

[deltek.com/costpoint-procurement](https://deltek.com/costpoint-procurement)

## **Deltek.**

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