University of Colorado System
PSC COMMUNICATOR
Procurement Service Center
OFFICE OF UNIVERSITY CONTROLLER
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SPO Encumbrance Updates

In response to an outstanding audit comment and a ruling by the State Controller, the university will encumber SPOs beginning November 1st. Whenever the university issues an SPO, the university is *committing funds equal to the amount of the SPO to the vendor*. SPO encumbrance highlights include:

- SPO Split Distribution- Starting in November, you can set up **new** and **renewal** SPOs with multiple SpeedType/Account combinations. At this time, split distributions cannot be implemented on SPOs that have already been issued (unless the SPO is tied to a Phase 1 Expenditure Control Fund, i.e., Fund 26, 72, 78 or 80). *Expenditure Control is the action of curtailing spending when expenses exceed available resources.*
- SPO Vouchers- You can still change the accounting distribution on SPO vouchers. Beginning in November, the SPO encumbrance will be relieved each time an SPO voucher is paid. This can be done in one of two ways.
  (1) You can utilize the encumbrance relief default process built into the system. If you do nothing relative to encumbrance relief when an SPO voucher is paid, then the default process will be used. In the default process, the SPO encumbrance is relieved in proportion to the SPO balances remaining in the respective SpeedTypes. For example, if 60% of your SPO is distributed to SpeedType 11045678 and 40% of your SPO is distributed to SpeedType 11041234, then the encumbrance relief would follow this 60/40 split.
  (2) Although not recommended, you can override the default process and manually relieve the encumbrance. Also, when doing manual encumbrance relief, keep in mind that you can't relieve an encumbrance amount in excess of the SPO balance in total nor tied to each SpeedType. More information on manually relieving encumbrances will be featured in future newsletters.
- SPOs on Reports- Your November month-end reports will show pre-encumbrance/encumbrance information for SPOs just as they do for regular purchase orders.
- Closing an SPO- SPOs close automatically 150 days after the SPO end date, and all remaining encumbrances are cleared.
- SPOs and Expenditure Control- **When** SPO encumbrances begin November 1st**, they will not restrict your spending ability.** However, when Expenditure Control is turned on for Funds 26, 72, 78, and 80 in January, the available resources for SpeedTypes in these funds will be reduced by the amount of SPO encumbrances as well as by other purchasing and payroll expenses and encumbrances.

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SPO Encumbrances *continued*

- SPO Amounts- SPOs are issued for $4,500 or greater. **The PSC will not process change orders to decrease current SPO amounts,** unless the SPO is tied to a Phase1 Expenditure Control Fund.
- New and Renewal SPOs- As you create new SPOs or renew current ones, set the amount carefully. Remember that the university is committing funds equal to the SPO amount to the vendor.

Additional information on SPO encumbrances will be announced through campus-based electronic communications and posted on the OUC web site in the coming weeks.

Office Product Shows and Supplier Showcases

Don't miss out on this opportunity to learn about the latest in office supply items and technology. All faculty and staff – regardless of their home campus – are invited to attend. *So that we may adequately plan, please **RSVP online** for the **Supplier Showcases* at http://www.cu.edu/psc/showcase.html. (No need to RSVP for the Boulder or Fitzsimons Shows).

Campus	*Show Date/Location*
Boulder campus Office Products Show	Tuesday, October 17 11:00 a.m. – 2:00 p.m. Room 235, UMC
Colorado Springs campus Supplier Showcase ***Registration Required***	Wednesday, October 18 10:00 a.m. – 2:00 p.m. The Lodge – 2nd floor
UCDHSC – downtown Denver campus Supplier Showcase ***Registration Required***	Tuesday, October 24 11:30 a.m. – 3:00 p.m. St. Cajetan – Auraria campus
UCDHSC – Fitzsimons campus Office Products Show	Wednesday, October 25 11:00 a.m. – 1:30 p.m. Bruns Conf. Room, 1st floor, Bldg. 500

FinProHelp FAQ – Direct Deposits

Do you get reimbursed for travel or other business expenses? If so, don't forget that reimbursements processed through the PSC are deposited directly into the same bank account used for your payroll. An email referencing the ACH (Automated Clearing House) used to process the direct deposit is sent to you each time a reimbursement is deposited to your account. In response to your feedback, the email now provides a description of the reimbursement, too. Need to change your designated account? Submit a Direct Deposit Modification form (available at www.cusys.edu/psc/forms.) Check out http://www.cu.edu/psc/dir-deposit.html for more details.