

COMMODITY CODES

Horry County Office of Procurement

What we will
look at

- What are they?
- How do we use them?
- The Benefits.

What is a Commodity Code?

What we will
look at

Definitions:

- NIGP Definitions
- MUNIS

Definition of commonly used terms

Commodity Codes

- The National Institute for Government Procurement (NIGP) defines a commodity code as a system of words and numbers designed to identify and list commodities or services by classes and sub-classes.
- In MUNIS, The commodity code classifies goods and services first into general categories and then into specific groups of items.

NIGP Definitions

- Class: The number that identifies a property class which covers a relatively homogeneous grouping of commodities, grouped together with respect to their similarity of physical or performance characteristics, or grouped together since they are usually requisitioned, stored, and issued together (First 3 Digits of the Commodity Code).
- Class-item: Part 1 of the NIGP Commodity/Service Code consisting of five digits and containing more than 6000 item descriptions; used to facilitate the open market aspects of the purchasing function. (5- Digit Commodity Code; xxx-xx)

MUNIS Definitions

- Type Code: This is the NIGP code that identifies and groups commodity codes.
- Type 2-Item for the general commodity codes.
- Type 4-Detail for the detail commodity codes.

How to use Commodity Codes:

How to Use

Classifying Goods & Services

Category Cheat Sheet

Code	Description
<u>01</u>	Administrative, Financial, and Management Services
<u>02</u>	Agricultural Equipment and Related Products and Services
<u>03</u>	Arts, Crafts, Entertainment, Theatre
<u>04</u>	Automotive Products, Vehicles, and Services
<u>05</u>	Building Equipment, Supplies, and Services
<u>06</u>	Clothing, Textiles, Laundry Equipment, and Supplies
<u>07</u>	Communication Equipment and Services
<u>08</u>	Computers, Software, Supplies, and Services
<u>09</u>	Food, Equipment, and Related Services
<u>10</u>	Furnishings and Related Services
<u>11</u>	Furniture and Related Services
<u>12</u>	Hardware, Related Equipment, and Services
<u>13</u>	Highway Road Equipment, Materials, and Related Equipment
<u>14</u>	Janitorial and Cleaning Equipment, Supplies, and Services
<u>15</u>	Laboratory Equipment, Supplies, and Services
<u>16</u>	Maintenance and Repair of Equipment
<u>17</u>	Medical Equipment, Supplies, and Services
<u>18</u>	Miscellaneous Commodities and Services
<u>19</u>	Office Supplies, Related Items, and Services
<u>20</u>	Paper, Printing Equipment, and Related Products and Services
<u>21</u>	Personal Products, Equipment, and Services
<u>22</u>	Public Works, Park Equipment, and Construction Services
<u>23</u>	Rental and Leasing Services
<u>24</u>	Safety and Protection Equipment and Related Services
<u>25</u>	School and Library Equipment, Supplies, and Services
<u>26</u>	Sporting, Athletic, and other Outdoor Equipment and Services
<u>27</u>	Testing and Sampling Equipment and Services
<u>28</u>	The Trades: Electrical, Engineering, HVAC, Plumbing, and Welding
<u>29</u>	Transit Equipment and Related Services, Mass
<u>30</u>	Water and Sewer Treatment Equipment, Supplies, and Services
<u>31</u>	Environmentally Certified Products



Drilling Down

Class (Under Category)

Code	Description
<u>19</u>	Office Supplies, Related Items, and Services
<u>015</u>	ADDRESSING, COPYING, MIMEOGRAPH, AND SPIRIT DUPLICATING MACHINE SUPPLIES: CHEMICALS, INKS, PAPER, ETC.
<u>080</u>	BADGES, AWARDS, EMBLEMS, NAME TAGS AND PLATES, JEWELRY, ETC.
<u>195</u>	CLOCKS, WATCHES, TIMEPIECES, JEWELRY AND PRECIOUS STONES
<u>530</u>	LUGGAGE, BRIEF CASES, PURSES, TABLET CASES, MP3 CASES AND RELATED ITEMS
<u>555</u>	METAL, PAPER, AND PLASTIC STENCILS AND STENCILING DEVICES
<u>575</u>	MICROFICHE AND MICROFILM EQUIPMENT, ACCESSORIES, AND SUPPLIES
<u>600</u>	OFFICE MACHINES, EQUIPMENT, AND ACCESSORIES
<u>605</u>	OFFICE MECHANICAL AIDS, SMALL MACHINES, AND APPARATUSES
<u>610</u>	OFFICE SUPPLIES: CARBON PAPER AND RIBBONS, ALL TYPES
<u>615</u>	OFFICE SUPPLIES, GENERAL
<u>620</u>	OFFICE SUPPLIES: ERASERS, INKS, LEADS, PENS, PENCILS, ETC. ←
<u>832</u>	TAPE (NOT DATA PROCESSING, MEASURING, OPTICAL, SEWING, SOUND, OR VIDEO)

A Step Deeper

Class- Item (Under Class)

Code	Description	UOM
<u>19</u>	Office Supplies, Related Items, and Services	N/A
<u>620</u>	OFFICE SUPPLIES: ERASERS, INKS, LEADS, PENS, PENCILS, ETC.	N/A
<u>620-10</u>	Desk Sets, Inkstands, Penholders, Pen Points, etc. (See 615-33 for Desk Accessories)	N/A
<u>620-20</u>	Erasers: Pencil Types, etc., (See 785-57 for Blackboard and Dry Erase Types)	N/A
<u>620-30</u>	Ink: Drawing, Marking, and Writing	N/A
<u>620-40</u>	Ink Eradicators	N/A
<u>620-50</u>	Ink Refills (Not Ballpoint), Drawing and Writing	N/A
<u>620-55</u>	Lumber Marking Crayons	N/A
<u>620-60</u>	Pencils, Lead; Pencil Leads; Pencil Lengtheners; etc.	N/A
<u>620-70</u>	Pencils, Marking (Including Mechanical Types and Refills): "Grease" or "China" Types, etc.	N/A
<u>620-71</u>	Pencils, Marking (Not Grease or China Types)	N/A
<u>620-79</u>	Pens, Fountain	N/A
<u>620-80</u>	Pens (General Writing Types): Ball Point, Nylon Tip, Plastic Tip, Roller Ball, etc.	N/A
<u>620-81</u>	Pen Refills (General Writing Types): Ball Point, Nylon Tip, Plastic Tip, Roller Ball, etc.	N/A
<u>620-85</u>	Pen and Pencil Sets, Including Combo Type	N/A
<u>620-86</u>	Pens Erasable Markers	N/A
<u>620-90</u>	Pens, Marker Type (Including Highlighter Types)	N/A
<u>620-94</u>	Recycled Pens and Pencils	N/A

In MUNIS

- Every item purchased will require a commodity code.
- Requisitions / Purchase Orders
- P-card Purchases

Requisitions

MUNIS Requisition Screen

Requisition Entry - Munis [TRAIN DATABASE Aug 27 2014]

Main Terms/Miscellaneous User Defined

Main Information

Dept/Loc 106 Procurement
Fiscal year 2015 Current Next
Requisition number 37
General commodity 055 AUTOMOTIVE ACCESSORIES FOR AUTOMOBILES,
General description AUTOMOTIVE ACCESSORIES FOR AUTOMOBILE
General Notes
Status 4 Allocated
Needed by
Entered 09/12/2014 By wattsby
☒ Three way match required
☐ Inspection required By
☐ Project accounts applied

Vendor Information

Vendor 968 Committed
Name JORDAN, ELVIN GARY
PO mailing 0
361 CHEVY CHASE DR
CONWAY SC 29526
Delivery Method ☒ Print ☐ Fax ☒ E-Mail
Remit 1 GARYS PUMPING SERVICE LLC
Vendor/Sourcing Notes Vendor Quotes (0)

Shipping Information

Ship to Proc
Horry County Procurement Dept
3230 Highway 319 East
Conway SC 29526
Email
Reference
Deliver To

Line Items

Line	Commodity	Inv item	Inv item loc	Inv tran type	Description	Qty	Unit Price	Freight	Disc %	Credit
1	05521				Couplings and Hitches	1.00	85.00000	0.00	2.00	
2	05504				Air Conditioners and Parts	4.00	85.00000	0.00	2.00	

Total Amount 3492.35

Workflow

My Approvals Approve Reject Forward Hold Approvers
Conversion Convert

23 of 43 Attachments (0)

P-Cards





MUNIS P-Card Statements

Purchase Card Statements - Munis [Tyler Connect 2014] > Transactions

Card and Statement

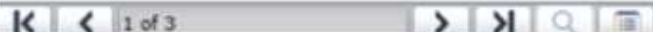
Card number: XXXXXXXXXXXXXXX0020
Current card holder: MEGAN KINSMAN
Name on card: MEGAN B. KINSMAN
Statement ID: 1
Statement code: JAN2014

Transaction

Munis Transaction ID: 1  Bank Transaction ID:
Card holder for transaction: MEGAN KINSMAN
Vendor: 1111 OFFICE CONNECTIONS INC
Charge description: OFFICE CONNECTIONS INC - Purchase
Charge date: 01/01/2014
Post date: 01/02/2014
Import date: 02/14/2014
MCC code:
Commodity code:  
Amount: 16.26
Allocation code:
Document number: 

Allocations

PA	Project Account	Org	Obj	Project	Description	Percent	Amount	GL Bud	PA Bud
		10013500	9999		Test expense	100.000	16.26	X	

1 of 3  Attachments (0)

The Benefits of Commodity Codes:

Spend Data

Spend Analysis

Spend Analysis: The process of collecting, cleansing, classifying and analyzing expenditure data from all sources within the organization (i.e. purchasing card, eProcurement systems, etc.). The process analyzes the current, past and forecasted expenditures to allow visibility of data, within the organization at various levels, e.g. by supplier, commodity, service, or by department. Spend analysis can be used to make management decisions by providing answers to such questions as: what was bought; when was it bought; where was it purchased; how many suppliers were used, how much was spent with each supplier; and how much was paid for the item. (NIGP)

- What are we buying?
- How much of it are we buying?
- When are we buying it?

Spend Data

Managing Spend

- Decreasing “Maverick” Spend
- Strategic Sourcing
- Process Efficiencies
- Procurement Efficiencies

Spend Data

Strategic Sourcing

NIGP defines Strategic Sourcing as a systematic continuous improvement process that directs supply managers to assess, plan, manage, and develop the supply base in line with the agency's stated objectives. It involves the constant re-evaluation of purchasing activities to insure alignment with long-term organizational goals.

Spend Data

MUNIS

- Certain commodity codes will be tied to certain object codes.

EXAMPLE: IT items must come out of the IT object code.

- LESS requisitions MORE p-card transactions.

THERE IS LITTLE TO NO VALUE IN DOING A REQUISITION FOR PURCHASES UNDER \$5000.00.

- MORE p-card spend = LARGER Rebate.

Down The Road

eCatalog

- Similar to an Amazon like webpage.
- Search, Choose, Purchase
- Procurement Process is done in advance of the catalog being available.
- P CARD ONLY!

Down The Road

Simplify Purchasing

- By using Commodity Codes, we will have spend information categorized and readily accessible to allow focus on the areas of greatest opportunity.
- By working together and using commodity codes correctly we will simplify the purchasing process and see greater cost savings!

Thank You for
Attending