

SERVICE LEVEL COMMITMENT
for
DGS BOP Material Master Number Assignment

This Service Level Commitment applies when any Commonwealth agency under the Governor's jurisdiction or Commonwealth agency not under the Governor's jurisdiction, but subject to the Procurement Handbook, seeks to add, delete, or revise a material master number.

The primary purpose of material master numbers is to support replenishment and subsequent tracking of inventory items via Materials Requirement Planning (MRP) within the SAP R3 ERP system.

Usage Guidelines

Material Masters should be established and utilized to:

1. Support the aforementioned process within SAP R3 contracts.
2. Facilitate the consistent reordering of high usage items from Agency or DGS warehouse via stock transport orders (STO's).

Material Masters may be created for non-MRP to support any of the following scenarios:

1. Tracking of mission critical end items with repeat purchase activity
2. To support State, Federal or Agency specific tracking requirements
3. To facilitate management of non-MRP critical items where tracking and stocking is essential
4. Where the data provided by the supplier is insufficient and subsequently not query able via Business Warehouse (BW) reporting functionality to provide an accurate portrayal of usage data at a detailed level

SRM Considerations

1. Punch-outs – defined as supplier web sites linked to the SRM's EBPro shopping functionality. As a general practice, material masters are discouraged from being loaded in supplier punch-out sites, if for no other reason than most suppliers are unwilling to customize their web site to include COPA specific material numbers. Further, material master data may not be passed back from the supplier to COPA's system. If material masters are contained within the punch-out site they will not pass back and update core R3 MRP functionality to support automatic replenishment.
2. Internal catalog - Assuming detailed tracking of descriptive material usage is required an alternative to creating a material master is to utilize an internal catalog in order to expand the text being captured at time of order placement and in turn extractable via Business Warehouse (BW) reporting.
3. Assuming the criteria in "Usage Guidelines" above are met for non-MRP inventory, material master items should be ordered in SRM as a direct material which upon receipt will decrement inventory.
4. Unlike R3, SRM captures contract line item short text thereby enabling Business Warehouse (BW) reporting on usage without the necessity of a material master.
5. Same material used as MRP inventory item and also as a consumable

If a given item is utilized as both a material master to support MRP and as a consumable, non-inventory item it must be included in two separate contracts:

- a. It (with a material master) should be either listed as a line item in a standard R3 contract.
- b. It (without a material master) should be listed as a standard line item on the SRM Local contract.

Material Master Number Assignment-Definitions and Roles

Material Master Numbers - A material number's primary function is to facilitate accurate reporting of Commonwealth material and services expenditures. This data is necessary for strategic sourcing of materials and services. Proper UNSPSC code assignment is essential to developing this important data.

Responsibilities

Requestor	DGS QA
<ul style="list-style-type: none"> • Conducts initial research to determine if a material master number already exists via text search using MM03. • Completes electronic material master request in SRM following the instructions in the link below: http://www.dgsweb.state.pa.us/comod/CurrentForms/MasterMaterialInstructions.pdf • IF requested item(s) are on a state contract, it must be approved by the appropriate Commodity Specialist and indicated in the comments section of the electronic request. • Provides DGS QA with follow up information to clarify the request. 	<ul style="list-style-type: none"> • Determines if an existing material master number would be responsive to the request. If it is, the request is returned to the requestor with identified material number. • Verifies correct material description format. • Verifies correct unit of measure and/or alternate unit of measure. • Verifies correct UNSPSC code assignment. • Approves the request.

Routings And Approvals

The requester completes the electronic material master request. Once submitted, the request will be automatically sent to the DGS QA for processing. After review, the DGS QA will either approve or reject the request. The Requester will be notified via email indicating that the request is approved with the assigned Material Mater Number(s) or that the request has been rejected.

Minimum Documentation Requirements

- Electronic Material Master Request,
<http://www.dgsweb.state.pa.us/comod/CurrentForms/MasterMaterialInstructions.pdf>
- Additional clarification as needed.

Service Level Commitment

DGS QA will complete the material number request within 2 business days after receipt and **clarification** of a properly submitted request form.