

Section 11.06

ENCUMBRANCES

An encumbrance is an amount that is being held against your account. Usually it is an amount that is pending payment, sometimes it is an amount that needs to be removed. An example of this is: you entered in a travel purchase order for \$65.00, but you only spent \$50.00 on your trip. There is a difference of \$15.00 that is still being held against your account. As long as it is being held, you cannot spend it. If you find a commitment that you know is complete and has been paid and you want to release it, please contact the FAMIS help line. They will be able to guide you through the steps needed to unencumber the funds.

There are various types of encumbrances, including Payroll encumbrances, manual encumbrances, and Purchasing Module encumbrances.

Payroll encumbrances are created in FAMIS when an EPA document is created.

Manual encumbrances include yearly encumbrances for telecommunications charges (long distance and monthly service) and administrative copiers. These manual encumbrances are entered into FAMIS by the Accounting Services Department.

The following Purchasing Module documents create an encumbrance in FAMIS.

Limited Purchase

Purchases below a specified dollar amount (seen on FAMIS Screen 309); different dollar limits can be set for State funds vs. local. This is an “L” document in FAMIS.

Exempt Purchase

Purchases that are exempt from the State of Texas guidelines requiring a bid process; exempt object codes are defined on FAMIS Screen 306. A Travel encumbrance is a type of exempt purchase. This is an “E” document in FAMIS.

Requisition

Purchases that must follow the State of Texas guidelines requiring a bid process. The department creates the requisition and the Purchasing department converts it into a Purchase Order. Requisitions are “R” documents in FAMIS.

Purchase Order

Document prepared as an order for goods or services. The Purchasing Department creates Purchase Orders by transferring over a department’s requisition.

