

MARKETPLACE COMMODITY

And Related Codes

UNSPSC Codes

The **United Nations Standard Products and Services Code® (UNSPSC®)**, is an open, global, multi-sector standard for classification of products and services, designed to be an efficient, accurate and flexible classification system for achieving company-wide visibility of spend analysis, procurement optimization, and exploitation of electronic commerce capabilities.

Marketplace catalogs will often display the full eight digit code, which is brought into the Marketplace and converted into the related two or four digit level Commodity Codes identified for use by Minnesota State.

Marketplace Commodity Codes

This set of codes has been identified for classification of all Marketplace purchases to enhance our capabilities to effectively analyze spend system wide. This will allow us to capitalize on opportunities to create and use new contracts and catalogs, and for schools to better identify where their funds are being spent and areas of potential savings. Where not automatically assigned, a Commodity Code must be selected for each item purchased through the Marketplace.

These codes are established at either the two digit (Segment) for four digit (Family) level based primarily on UNSPSC codes. This allows a clear translation from the codes provided by catalog vendors, along with a workable set for manual selection on non-catalog purchases. Jaggaer (formerly SciQuest) suggested this a good starting level in the goal for a balance of collecting worthwhile data while not overly complicating the purchasing process.

This is our set of codes, which we anticipate will be updated over time, especially early on, as we discover missed codes, miss-named codes, and some that are never used and can be removed. Reviewing and editing this list is expected to be a responsibility of the Marketplace User Group.

Object Codes

Although often very similar in description, Object and Commodity codes are not the same thing and cannot be fully mapped one-to-one. Commodity Codes are used to categorize types of purchase for spend analysis. Object Codes are financial transaction designations, used to describe the type of revenue, expenditure, asset, or liability involved in a transaction.

Each Commodity Code has been given a default Object code that will be populated automatically on a requisition and purchase order created in the Marketplace. It is important that the object code be reviewed for accuracy when a purchase order is created and when a payment is processed. This responsibility has not changed with the addition of Commodity Codes. As with the Commodity Codes themselves, the default Object Codes can be revised as the User Group identifies the need.