

UCR



eBuy/Accounts Payable Users Group Meeting (March 2018)

BFS – Business & Financial Services

A Division of Business & Administration Services (BAS)



UNIVERSITY OF CALIFORNIA, RIVERSIDE

Agenda

- Staff Updates
- Feedback Results (December 2017 Meeting)
- UCR P2P Process

Staff Updates

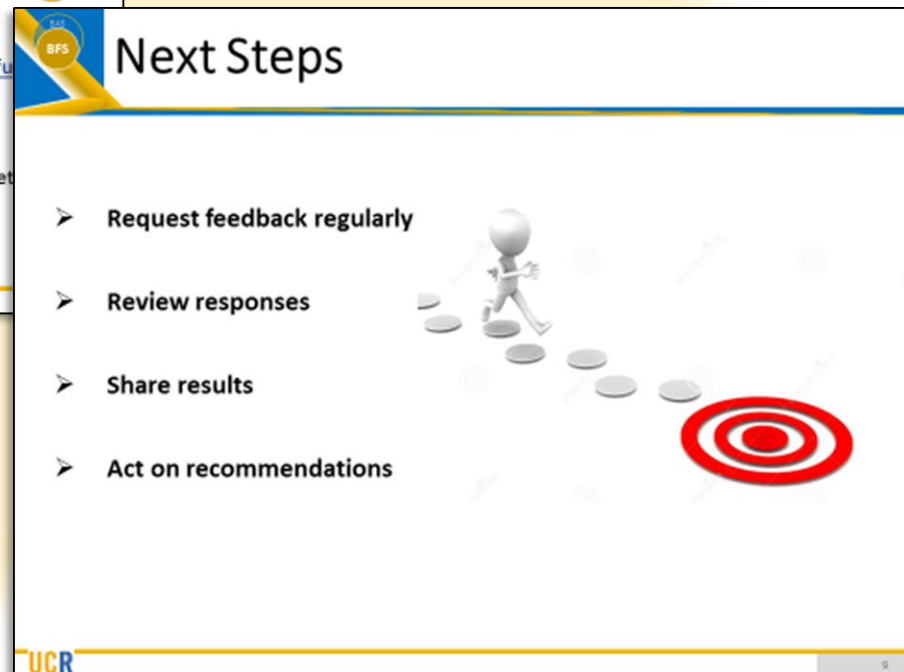
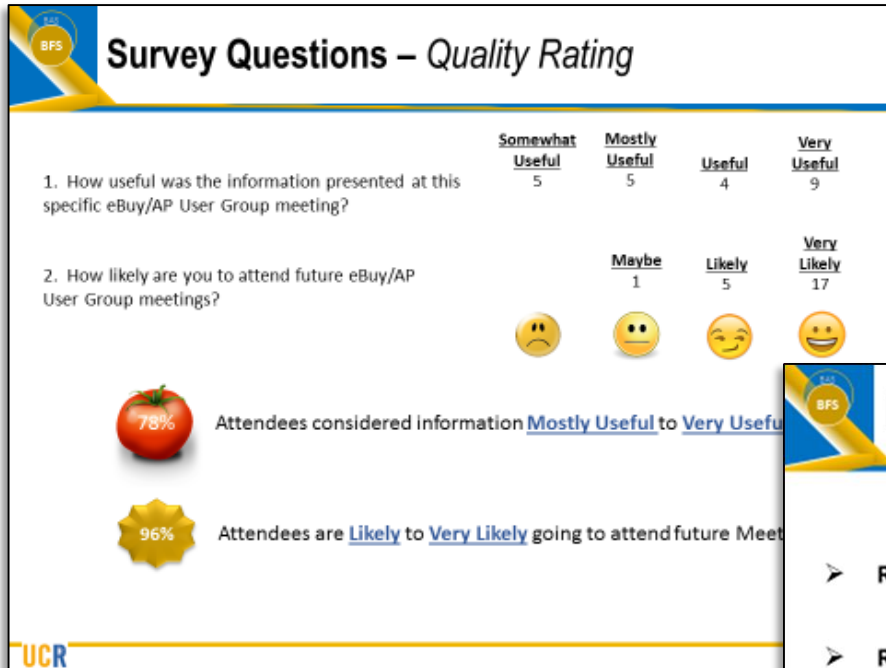
Accounts Payable

- Vendor Maintenance (Replaces A. Jimenez)
(Temp-Sophia Jamshidi)
- Accounting Assistant III (Replaces E. Danford)
(Temp-Philisa Merino-Dent)

Procurement

- Procurement Manager
- Procurement Analyst 4 (Replaces M. Lee)
- Pro-Card Administrator 4 (New)
- Pro-Card Administrator 3 (New)

User Group Feedback (Jul '17)



July '17 results reported: Dec '17

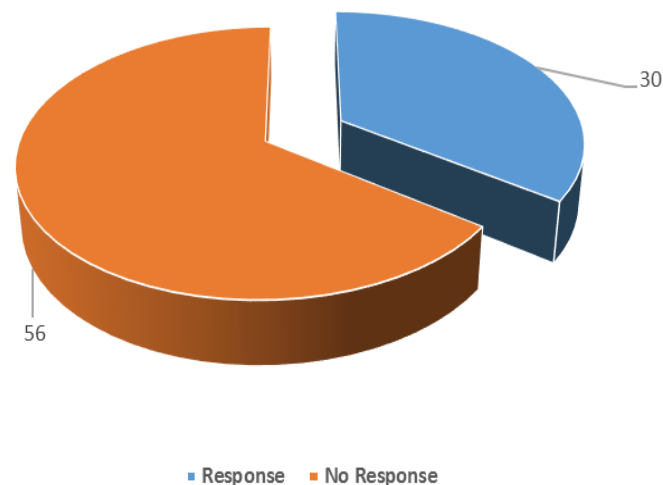
User Group Feedback (Dec '17)

Survey Questions:

	<u>Rating</u>				
	<u>5</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>
The meeting and materials were relevant to my daily business activities.	16	8	4	1	1
My time at the meeting was used wisely.	5	11	8	5	1
The presenters were knowledgeable of the subject matter.	7	11	7	4	1
The meeting environment (the room, temperature, lighting, materials) was a conducive learning environment.	18	9	3		

December 2017 Users Group Meeting

Attendance	86
Survey Response Rate	35%



Previous participation results

July 2017 User Group Meeting

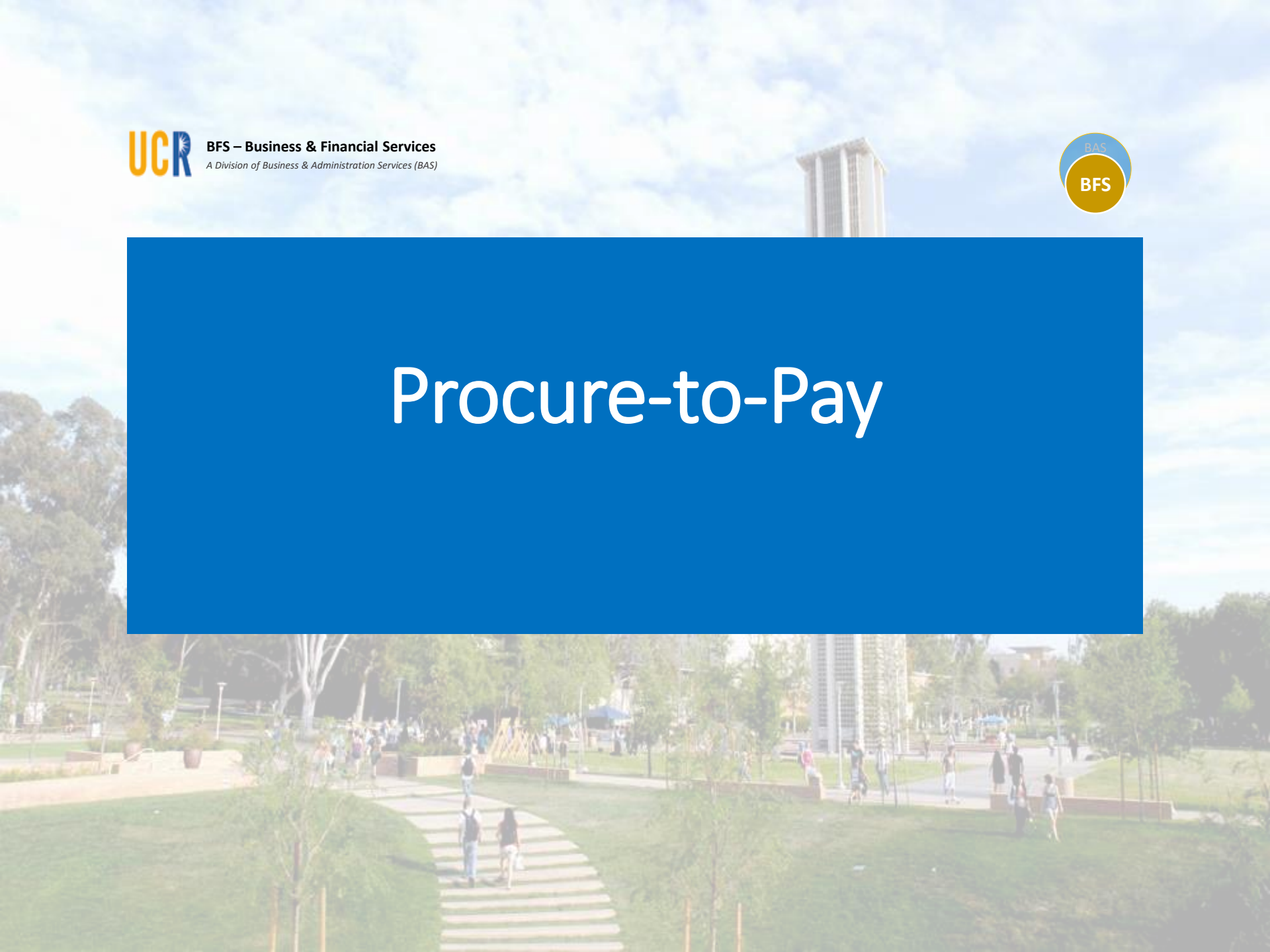
Attendance	113
Survey Response Rate	20%



BFS – Business & Financial Services
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Procure-to-Pay



Procure-to-Pay

Training Purpose

BUS 43 - Purchases of Goods and Services; Supply Chain Management (<https://policy.ucop.edu/doc/3220485/BFB-BUS-43>)

- Focus on key P2P related areas and provide attendees with useful takeaways that result in increased efficiency and better understanding of UC policy
- To also recognize that data used for purchases is utilized by other departments (e.g., Auditors, Equipment Management, Procurement, Accounts Payable) to complete their tasks, so accuracy is important

Procure-to-Pay

□ Areas of focus:

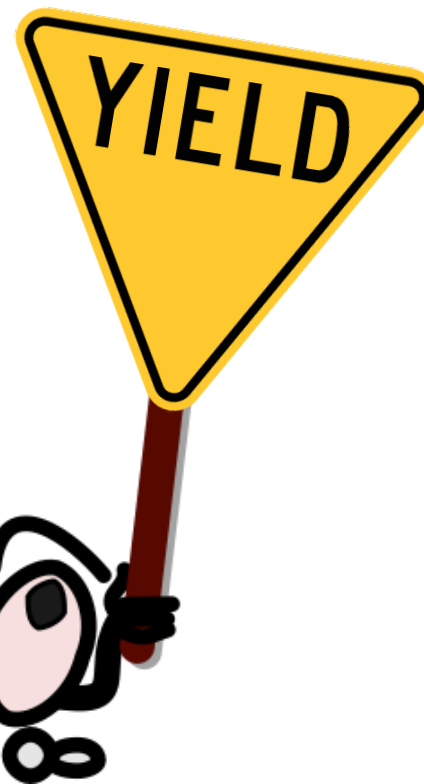
- Products
- Low Dollar Value Purchases (< \$2,500)
- Purchases \geq \$2,500 but <\$100,000



Procure-to-Pay

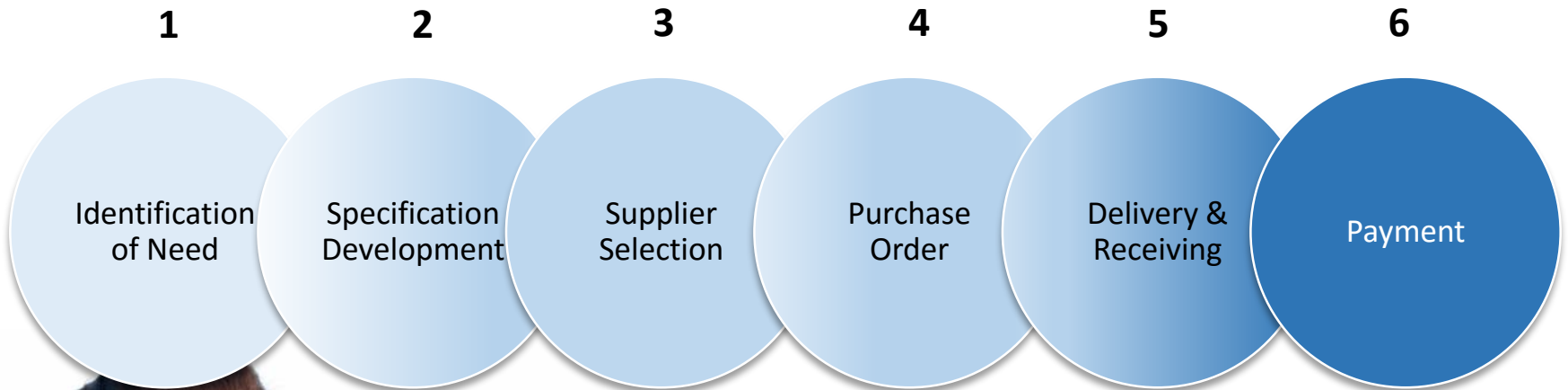
Topics not covered today:*

- Purchases in excess of \$100,000
- Solicitations (e.g., RFPs, RFISs)
- Services
- Contracts



* These topics will be covered in a future training session

Procure-to-Pay



6 distinct phases



Procure-to-Pay

1

Identification
of Need

2

Specification
Development

3

Supplier
Selection

4

Purchase
Order

5

Delivery &
Receiving

6

Payment

Presenter: Ellery Triche

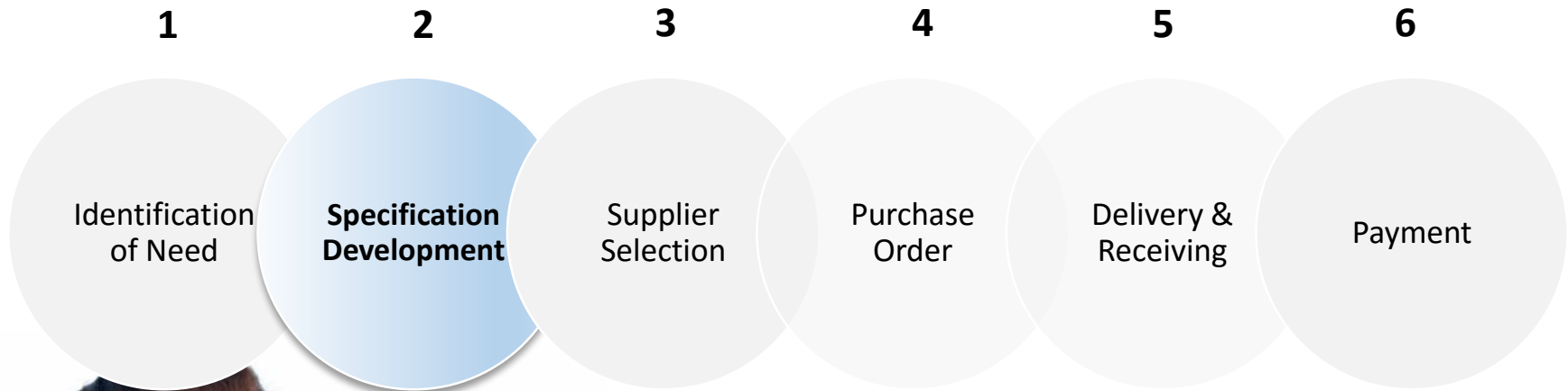


Identification of Need

Where an individual or group determines there is a business need then try to figure out how and where to get it



Procure-to-Pay



Presenter: Henry Gutierrez

A good purchase description gives seller a clear idea of what product is needed by the requestor

Specification Development

Specifications

“A written statement of an item's required characteristics documented in a manner to facilitate its procurement, or production and acceptance.”

Contain descriptions which are adequate to obtain competition, will insure responsive quotations, will provide the same information to all competing suppliers and to the fullest extent practicable, do not favor one brand, trade name, article, manufacturer, or supplier over others.

When it is believed that no other brand, trade name, or item will properly satisfy the needs of the University, specifications should include a description of the technical features necessary to determine if other available goods or services are equivalent to those specified.

Brand or trade names should be used for descriptive purposes only

Specification Development

Specifications

TIP! Whenever possible use manufacturer part numbers or SKU (stock keeping unit) when searching eCatalog or the internet for potential sources

SKU



Utilize general specifications to allow suppliers to provide competitive quotes or alternative options

Hammer, claw, steel head, wood handle, hand tool for nails, 12 inches long, 5 each

Decide if work or research can be done with an item that is off-the-shelf versus custom

Determine if it has been previously purchased by UC/UCR. (If yes, this information will help with supporting the purchase and documentation of price reasonableness)

Specification Development

Following are examples of a specification and an improved version

Example #1

Line	Qty	UOM	Catalog Number	Unit Price	Tax	Tot Amt	Expected Delivery
1	1	Each N/A		2,787.560	Y	2,787.56	<u>FAU</u>
Description: Peptide synthesis							

Example #1 (Improved)

<u>Line</u>	<u>Qty</u>	<u>Unit</u>	<u>Catalog No</u>	<u>Delivery</u>	<u>Tax</u>	<u>Unit Price</u>
1	1	Lot	#SP0001	11/30/2017	Y	\$2,381.113
<u>Description:</u> Custom Peptide Synthesis:						
>Peptide #1						
Peptide Name: HS (67 aa)						
Sequence(N to C):						
2	1	Lot	#SP0001	11/30/2017	Y	\$371.448
<u>Description:</u> Custom Peptide Synthesis:						

Specification Development

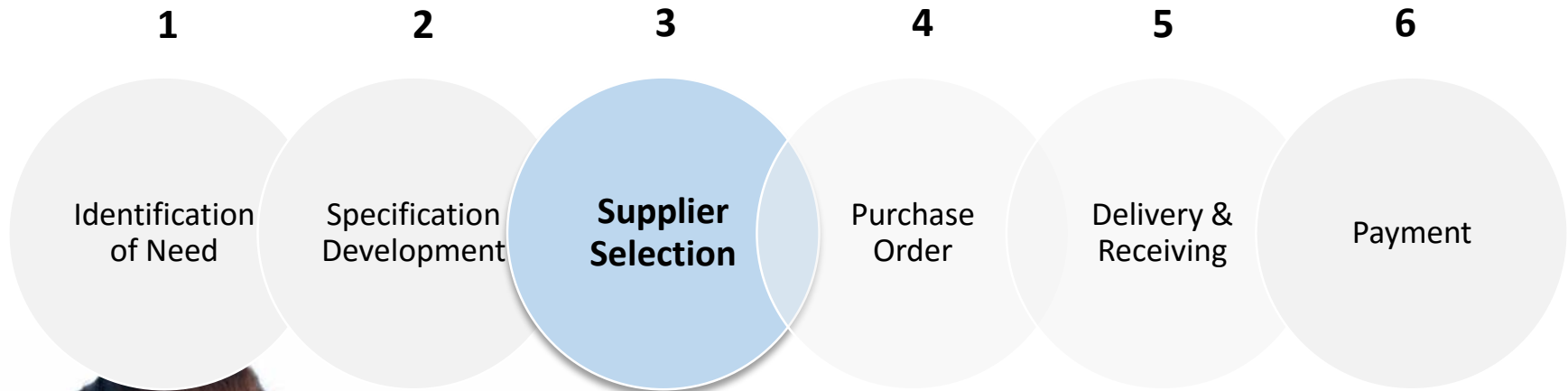
Example #2

Line	Qty	UOM	Catalog Number	Unit Price	Tax	Tot Amt	Expected Delivery
1	1	Each		3,200.000	Y	3,200.00	EAU
Description: Pump, 230/460 volt, 15 horsepower.							

Example #2 (Improved)

<u>Line</u>	<u>Qty</u>	<u>Unit</u>	<u>Catalog No</u>	<u>Delivery</u>	<u>Tax</u>	<u>Unit Price</u>
1	1	Each	20-031015	09/06/2017	Y	\$3,875.00
Description: Cornell Pump (booster), Model #3RB-15-4, 230/460VAC, 15/hp, 2yr Mfgr warranty, W/TEFC motor upgrade						

Procure-to-Pay



Presenter(s):

- Henry Gutierrez
- Kathy Ensign
- Aver Smith

Purchases \leq \$2,500

Purchases $>$ \$2,500 / $<$ \$100,000

New Suppliers

Supplier Selection (<\$2,500)

- It's important to exhaust all our campus resources, including other campus service providers (storehouse, P&R, Facility Services, Dining, etc.) as most have the right of first refusal
- Utilize local/UC agreements already in place
- Recommend use of eCatalog suppliers whenever feasible
 - Use the manufacturer's part number/SKU to conduct searches
- Competitive quotes are not required at this dollar threshold, but always encouraged
 - Quotes are not required if using eCatalog, which can do price comparisons within the system

Supplier Selection (<\$2,500)

- Get quotes in writing
- Procurement makes the final determination of price reasonableness
 - If price reasonableness cannot be determined from a single quote multiple quotes may be required
 - Generally, purchase value, complexity and market conditions are determining factors
- Exceptions to policy must be approved by the campus Policy Exception Authority (the Chief Procurement Officer)

Supplier Selection (<\$2,500)

Audience Question:

When you receive a non-agreement order request for \$2,501 from the requestor or end user, what should be your first step?

Response:

- Determine if it's something previously purchased through one of the other campus service providers and if so, redirect to them
- If not then use eCatalog, utilizing manufacturer part # or SKU to see if it's available there
- Check Local or UC Agreement sources to see if it's available there
- Search the internet as a final resort

Supplier Selection

Purchases
 $> \$2,500 / \leq \$100,000$

Kathy Ensign

Supplier Selection (>\$2,500/<\$100k)

Everything discussed for purchases <\$2,500 also applies up to \$100,000, plus:

- e-Buy has suppliers for many of the products needed by the campus. If help is needed, we are happy to assist in determining which one(s) fit your needs
- In this price range, more emphasis is placed on the award decision
- Price Reasonableness becomes a critical factor
 - The preferred method to determine price reasonableness is competitive quotes. If there are multiple quotes and the lowest quote is accepted, then it is easy to make this determination.

Supplier Selection (>\$2,500/<\$100k)

- Three UC approved methods of evaluating quotes (and determining price reasonableness):



The majority of Transactor purchase decisions are based on cost

It is important to understand other methods if you support department requestors with document preparation

- **Cost alone** -- all things considered equal between quotes, the lowest price wins.
- **Cost per Quality Point** – *used for more complex purchases where other factors will be weighed in addition to price.* Quotations will typically be scored by an evaluation team and a method defined in the quote documents. The price of the goods is divided by the total quality points
- **Best Value** -- points are assigned using a weighted formula consisting of two components: qualitative criteria, and financial criteria. (price/financial criteria has to be at least 25%)

Supplier Selection (>\$2,500/<\$100k)

Notes:

- Our specifications need to be written to allow for apples-to-apples comparison of supplier quotes for the same part numbers, description & quantities. When asking for a quote, ask for the manufacturer's part number, description, features, etc.
- It is against procurement policy and an ethically inappropriate business practice to share one supplier's pricing with another supplier. If a supplier asks for the pricing you have, please tell them you are not allowed to share a supplier's pricing. They should respect that.

Supplier Selection (>\$2,500/<\$100k)

Negotiating Tips:

- Try to negotiate a larger, deeper discount
 - Ask suppliers about a Government or higher education discount. (Sometimes, but not always the Government discount will improve the quoted price.) After attempting to negotiate, ask the supplier to submit their Best and Final pricing in a revised quote
- Discounts through non-UC negotiated agreements
 - We are able to get price discounts due to affiliations with other organizations, including the National Joint Powers Alliance (NJPA); National Intergovernmental Purchasing Alliance, called National IPA, or NIPA, a cooperative purchasing group for Public Schools, as well as U.S. Communities Alliance
 - U.S. Communities is a national cooperative purchasing program, providing government procurement resources and the best overall government pricing through a cooperative contract
 - Ask for these discounts through the alliances and cooperative purchasing groups

Supplier Selection

UC Terms and Conditions

UC Terms and Conditions will govern the purchase order

Payment Terms:

- UC Preferred: Net 30
- If supplier requests something other than the preferred terms, you must get procurement involved to assist with negotiating the appropriate payment terms
- If a supplier requests payment prior to delivery, or a deposit, please contact procurement for assistance

Supplier Selection (>\$2,500 / <\$100k)

Price Reasonableness

- Competitive bidding is not required for purchases in this value range, however the price must be determined to be reasonable
 - Methods to determine Price Reasonableness:
 - Competition
 - Prices set by applicable law or regulation
 - Price analysis
 - Preferred method: Competition
 - If the product is not competitively selected, it is considered a single or sole source purchase and requires documentation to accompany the requisition. This documentation shall include a completed Justification and Approval (J&A) Form (see Appendix)
 - The J&A Form must justify the reason for the sole source decision; and
 - Include support for a price reasonableness determination

Supplier Selection (>\$2,500 / <\$100k)

Unauthorized Purchases

- Suppliers must receive a purchase order/DAPO prior to starting performance
- If a product is ordered without a purchase order, it is considered an “Unauthorized purchase”. An Unauthorized purchase form will be completed, signed, and attached to the order if created by campus procurement. (See attached in Appendix)

Bidding Guidelines

UC Riverside Bidding Guidelines for All Funding Sources				
Category	\$0 - \$2,500.00	\$2,500.01 - \$49,999.00	\$50,000 - \$99,999.99	≥ \$100,000
Goods	Informal Quote Buyer verifies price if necessary Buyer determines price reasonableness	One (1) Formal Quote required	Two (2) Formal Quotes required RFP Recommended, may be appropriate depending on complexity and opportunity	RFP or Formal Bid May Leverage GPO (if Competitively Bid)
Services		If department does not provide quote, Buyer will obtain *	May leverage GPO	Award will be made by the following: - Lowest Cost - Cost per Quality Point - Best Value
Capital Equipment		Buyer determines price reasonableness	If department does not provide quotes, Buyer will obtain * Buyer determines price reasonableness	
Consultants		2+ Formal Quotes required	3+ Formal Quotes required	

* Note: To expedite, department should provide quote(s). Increased processing time is required if Buyer obtains quote(s).

Definitions:

Formal quote	A proposal with price/delivery/terms provided on company letterhead or company stationary. Typically, formal quotes will include a quote number, payment terms, delivery terms, expiration date of quote, terms and conditions, etc.
Informal quote	A proposal with pricing/terms provided verbally (e.g. phone) or in writing (including eMail).
GPO / Purchasing Cooperative	An entity that is created to leverage the purchasing power of a group of businesses to obtain discounts from vendors (usually competed) based on the collective buying power of the GPO members, i.e., E&I, US Communities, NASPO and others.
Factors Determining Price Reasonableness:	
Price comparison:	A buyer has obtained and documented quotes or offers within the last 12 month period from other responsible suppliers, which provides evidence that a price obtained is deemed fair and reasonable.
Catalog or market pricing:	The price offered is supported by an established and verifiable catalog or market pricing media issued by a responsible supplier and/or through an established reputable forum. In addition, the pricing structure provided is one that a prudent buyer would accept as a reasonable representation of existing market value.
Controlled pricing:	The price offered is set by law or regulation; competitively bid master, statewide contracts and Purchasing Cooperatives etc.
Historical pricing:	A buyer is able to demonstrate that other transactions occurring in the past (within a 12 month period) exist that shows that historical prices for similar acquisitions have yielded no material change in cost. Note: The definition of "material" for this technique is deemed greater than a 15% increased difference between current and historical pricing.

Business Information Form

UNIVERSITY OF CALIFORNIA, RIVERSIDE SUPPLIER BUSINESS INFORMATION FORM

SUPPLIER OF GOODS OR SERVICES ONLY To be completed by ALL FIRMS OR INDIVIDUALS PROPOSING TO DO BUSINESS WITH THE UNIVERSITY OF CALIFORNIA, RIVERSIDE (regardless of commodity, service, or product offered.)

COMPANY NAME:		CONTACT PERSON: (Indicate Ms., Mr., etc.)			
STREET ADDRESS:					
MAILING ADDRESS (if different from street address):					
TELEPHONE NO.: ()		TOLL FREE NO.: ()		FAX NO.: ()	
E-MAIL:			HOME PAGE ADDRESS:		
Are any of the owners or owners' relatives currently employed by the University of California? YES NO If yes, please provide details on an attached sheet of paper.					
FEDERAL IDENTIFICATION NO. OR SOCIAL SECURITY NUMBER:			DUN & BRADSTREET NUMBER:		
PRIMARY TYPE OF BUSINESS:		BROKER _____ FABRICATOR _____ RETAIL _____	DEALER _____ MANUFACTURER _____ SERVICE _____	DISTRIBUTOR _____ MANUFACTURERS AGENT _____ WHOLESALER _____	
OTHER _____					
PRINCIPAL OWNERS:					
Name		Title	Sex (M or F)	Ethnicity	Percent Ownership
					%
					%
THIS IS A PARENT COMPANY: (Name of subsidiaries)			THIS IS A SUBSIDIARY: (Name and location of parent company)		
NUMBER OF YEARS IN BUSINESS	AVERAGE ANNUAL SALES (PRIOR 3 YEARS)	NET WORTH OF BUSINESS	NORMAL INVENTORY VALUE	APPROXIMATE SIZE OF FACILITIES (sq.ft.)	NUMBER OF EMPLOYEES
DESCRIPTION OF PRODUCTS & SERVICES (please include NAICS code if available)					
BANK REFERENCE NAME:			ADDRESS: (Number, City, State, Zip)		
CUSTOMER REFERENCES: Name		Address	Phone Number		
PERSON(S) AUTHORIZED TO COMMIT YOUR FIRM TO A CONTRACT:					
Name		Title	Name		Title
Name		Title	Name		Title
INSURANCE: Is your Company Insured? YES NO					
TYPE OF INSURANCE: General Liability _____ Automobile Liability _____ Worker's Compensation _____ Other _____					
Name of Insurance Provider/Producer _____					
Companies Affording Coverage: _____					
OWNERSHIP OF BUSINESS: (Check One) Corporation _____ Individual/Sole Proprietorship _____ Joint Venture _____ Partnership _____ Foreign Ownership _____ Not for Profit _____ Other _____					

INSURANCE REQUIREMENTS:

The University selects insurance requirements based on degree of risk, rather than the dollar value of the contract. All insurance policies required shall be subject to review and approval by the University.

<http://procurement.ucr.edu/procurement/forms.html>

Supplier Selection

New Supplier Setup

Aver Smith

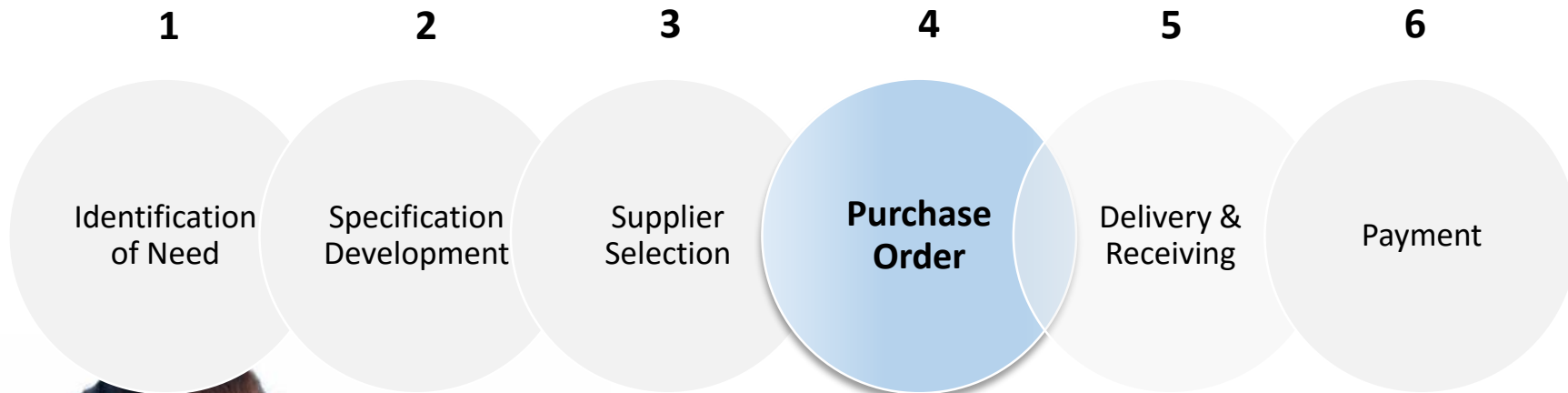
New Supplier Setup

- ✓ All new supplier requests and current supplier changes should be initiated through eBuy, ePay, or iTravel
- ✓ Examples of typical supplier data changes are:
 - Adding a new address
 - Name change
 - Correcting an existing address
- ✓ With certain exceptions, an IRS Form is required to establish a new supplier:
 - W-9: Request for Tax Payer Identification Number and Certification
 - W-8 series Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting
- ✓ A W-9 or W-8 is also required for name changes and certain address changes
 - The requesting department is responsible for obtaining the required forms

New Supplier Setup

- ✓ All tax forms must be faxed to the Accounting Office at:
Fax: (951) 827-3314
 - *Forms W-9, W-8, 587 & 590 may contain personal information*
 - *Please do not email any tax forms*
- ✓ Accounting will respond to supplier add/modification requests within 2 business days of receipt in the Accounting queue.
- ✓ Add/modification requests will be denied if the tax form has not been received in Accounting within 2 business days of the request.
- ✓ Inquiries should be emailed to:
 - Sophia Jamshidi
 - Escalations to Aver Smith

Procure-to-Pay



Presenter: Ana Cotton

Purchase Orders

PR's, DAPO's, & PO's have the same basic content: Header & FAU Information, followed by the following tabs:

- General
- Comments
- Deliver To
- Terms
- Selection
- Misc
- PO Vendor
- Attachments
- Approvals

eBuy - Purchase Order & Requisition System

Edit Order

Ctrl#: ANALOPEZ20180319085540 Status: New Order

Requestor: ANALOPEZ

User Contact: Ana Cotton User Phone: (951) 827-3005

Order Description: Quote Number: Set

Date Needed (MM/DD/YYYY): 04/09/2018 Expected Delivery (MM/DD/YYYY): Set

Order Type: DAPO Acct Struct: D01108 - Procurement Services

Agreement: No Agreement Selected

Vendor: No Vendor Selected Default FAU Preview

General Comments Deliver To Terms Selection Misc PO Vendor Attachments Approvals Routing

Line	Qty	UOM	Catalog Number	Unit Price	Tax	Tot Amt	Expected Delivery	Action

Add Line Remove Selected Lines Copy Selected Lines

Sub Total
+ Tax (@8.75%) .00
+ Freight 0

Grand Total

Default FAU

View: by Line Item \$ Totals Descriptions Add

Account	Activity	Fund	Function	Cost Center	Proj Code	Percentage (%)

Purchase Orders

PO Header & FAU Section

In this section, we list the general information of the order

- The end user name, as in the campus directory, and their phone number
- Purchase Description (helps identify PO)
- Includes fields for: quote #; date needed; and expected delivery date
- Order type. If a DAPO, must select the applicable eBuy agreement. If over LVPA limit, must select '*Requisition*' to forward to Procurement
- Default FAU is entered (this field is in percentages)
- Supplier name

Tip!

If a supplier has multiple entries under their business name, please select the proper entry that corresponds best to your PO

Ctrl#:	ANALOPEZ20180319085540	Status:	New Order
Requestor:	ANALOPEZ		
User Contact:	Ana Cotton	User Phone:	(951) 827-3005
Order Description:		Quote Number:	
Date Needed (MM/DD/YYYY):	04/09/2018	Expected Delivery (MM/DD/YYYY):	
			Set
Order Type:	DAPO	Acct Struct:	D01108 - Procurement Services
Agreement:	No Agreement Selected		
Vendor:	No Vendor Selected		
			Default FAU Preview

Purchase Orders

General Section

This section lists individual items to be purchased

- Each item must have a quantity, unit of measure, description, catalog number, unit price and taxability
- The item description should mirror the supplier quote and not be abbreviated or changed (as described in the specification development section)

TIP! On the line item level, you can specify a specific dollar amount to charge to an FAU, not a percentage

UNIVERSITY OF CALIFORNIA, RIVERSIDE

eBuy - Purchase Order & Requisition System

Quantity:

Unit of Measure:

Description:

Catalog Number:

Unit Price:

Taxable: Yes No

Expected Delivery: (MMDDYYYY)

Purchase Orders

Comments Section

This section is used to add any special notes about the order

- It may be a supplier note or an internal instruction
- If you are submitting a requisition to Procurement for action, you can enter instructions, special requests, etc.

Tip!

Use this section whenever possible to clarify or explain the purchase. Any comments are read and often found to be helpful

Purchase Orders

Deliver To Section

- All goods should be delivered to UCR Central Receiving:

**3401 Watkins Drive
Riverside, CA 92521**

Exceptions:

- Controlled Substances
 - Radioactive Chemicals
-
- Always include a building & room number. A contact name and phone number will help as well

Purchase Orders

Terms Section

This section lists terms and conditions for the purchase and references any appendices incorporated into the order

Required PO terms include:

- Shipping:
 - FOB (Free-On-Board):
 - Seller pays for transportation of the goods to the port of **shipment**, plus loading costs.
 - Seller assumes risk of loss to the stated destination
 - FOB Destination (important to state destination location). If the contract leaves out the delivery place, it is the seller's place of business

Comments	Deliver To	Terms	Selection	Misc
		FOB:	Dest. Frt. Ppd & Added	
		Payment:	Net 30 Days	
		Shipment:	Best Method	
		Tax:	Taxable	
		Appendix:		

Purchase Orders

Selection Section

This section specifies the reason for your supplier selection and the pricing received

- A box needs to be selected under each column, please choose the most applicable one.
- There is also a bottom section for notes.

Tip! Use this area for a quick narrative on the order, especially if it is complicated. Adding these notes are lifesavers!

General Comments Deliver To Terms Selection Misc PO Vendor Attachments Approv

Vendor Selection?

- UC Agreement ?
- UC Price Schedule ?
- Local Agreement ?
- Best Source ?
- Multiple Quotes ?
- Multiple Phone Quotes ?
- Only Known Source ?
- Sole Source ?
- Match Existing ?
- Targeted Vendor Award ?
- Emergency Purchase / Repair ?
- Reimbursement ?
- Unauthorized Purchase ?
- Other... ?

Price Reasonableness?

- UC Agreement Source ?
- Standard Commercial Price ?
- Lowest Quote/Bid Received ?
- Lowest Quote Meeting Specs ?
- Price Previously Paid ?
- Targeted Vendor Award ?
- Lowest Total Life Cost ?
- GSA Price or Better ?
- Vendor Certifies Lowest Price ?
- Compares Favorably with other Customer's Prices ?
- Cost/Price Analysis ?
- Professional Judgement ?
- Vendor Already Paid ?
- Other... ?

Affirmative Action Quote(s) Sought?

Yes - Other (Please explain in notes)

Notes:

Purchase Orders

Miscellaneous Section

This section includes any additional information that aids in detailing the order

For example:

- Referencing a previous PO Number: Helpful in tying PO's together, or renewing ones
- Fabrication Number: This ties PO's to a special fabrication so that costs are kept together for the PI
- The remaining fields are used by Procurement

Purchase Orders

PO Vendor Section

This section will be populated with the supplier information (same as PO header information)

- Please include the supplier representative contact name, phone number and email address in this section

Tip! Please pay special attention when entering the supplier on your PO, sometimes there are multiple listings for a supplier, as one part of the company is separate from another, if you choose the wrong one, a change order will be necessary to correct it.

Select Vendor to View

Vendor ID	Vendor Name	Type	Action
0000072152	ELLUCIAN COMPANY L.P. - 4 COUNTRY VIEW ROAD, MALVERN	X2	New Address
0000072152	ELLUCIAN COMPANY L.P. - 62578 COLLECTIONS CENTER DRIVE, CHICAGO	X2	New Address
0000072152	ELLUCIAN COMPANY L.P. - BANK OF AMERICA LOCKBOX SERVICES, CHICAGO	X2	New Address
0000072151	ELLUCIAN SUPPORT INC - 14083 COLLECTIONS CENTER DRIVE, CHICAGO	X2	New Address
0000072151	ELLUCIAN SUPPORT INC - 4 COUNTRY VIEW RD, MALVERN	X2	New Address

Purchase Orders

Attachments Section

Attach supplier quotes in this section. (See bidding guidelines sheet for required number.)

You should also attach any other pertinent documents (emails, brochures, etc.)

Note: Any and all written quotations must accompany the requisitions.

Tip!

All documentation pertaining to the order should be added here. This helps with questions or PO audit requests

Purchase Orders

Approvals Section

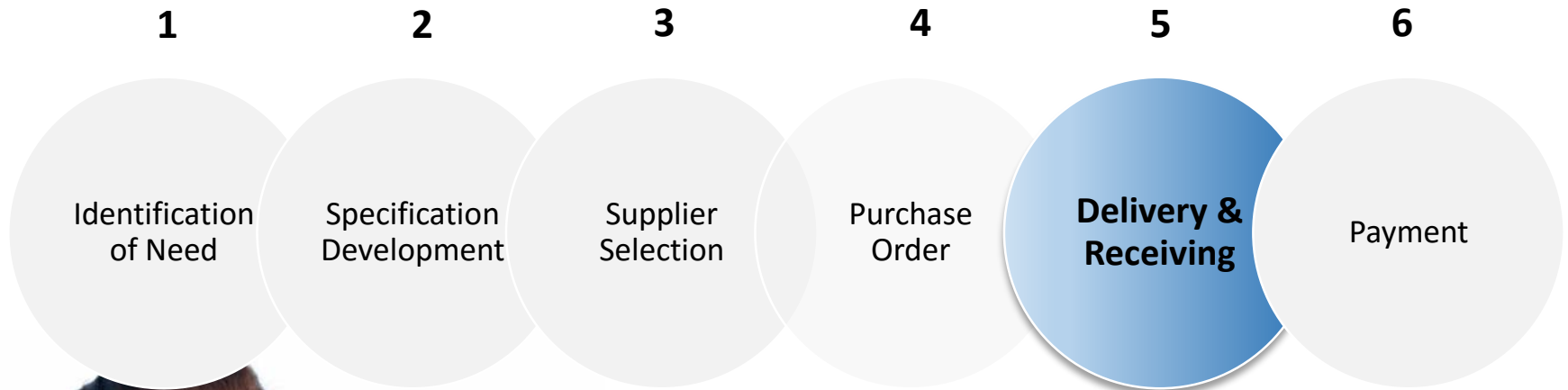
This section allows you to checkout the order when a DAPO needs approval (from within the department or Procurement)

When checking it out to Procurement, enter the User (Net ID) of the appropriate (Procurement) Buyer and in the Approval Type section, choose:

[Read-Write, Approval Required](#)

This section also has a comments section and is used frequently to explain why a DAPO 1-time purchase limit needs to be raised

Procure-to-Pay



Presenter: Henry Gutierrez

Delivery & Receiving

- Delivery is where the supplier moves the item from their dock and into the hands of the carrier.
- Shipping terms dictate where title passes on the item.
- “Acceptance” and recording receipt of delivered goods in eBay should occur as soon as possible after delivery of goods. (UC Terms (article 4)) does not provide a prescribed time limit but it is recommended that inspection and acceptance occur within 1 to 10 days for most purchases
- What happens if we don’t notify a seller of a defect in the product within a reasonable acceptance period?
 - Then the supplier assumes the material have been accepted

TIP! Shipping terms are usually pre-negotiated and come with no restocking or return shipping fees on UC agreements

Delivery & Receiving

Shipment Received with Missing Items

1. If delivered to department by Campus Receiving:
 - a. Contact Receiving for initial assistance
 - b. Contact the Supplier. If difficulties are encountered, contact the Buyer for assistance
2. If delivered directly to department by a Carrier (not by Campus Receiving):
 - a. Departments are responsible for confirming the number of packages received is the same as reflected on the Carrier's Bill of Lading. The Carrier has no legal responsibility if the University accepted or "signed for" the wrong number of packages
 - b. If there are no missing packages, contact the Supplier for assistance. If difficulties, contact the Buyer

Delivery & Receiving

Shipment Received with Damaged Items

1. If delivered to your department by Campus Receiving –
 - a. Contact Receiving. Retain ALL SHIPPING MATERIALS for the freight inspection. Freight inspections must be requested within 10 days
 - b. Contact the Supplier and advise them of the damage and the steps taken with the Carrier.
 - c. Contact the Buyer if additional assistance is required.
2. If delivered directly to department by a Carrier (not by Campus Receiving)
 - a. Departments are responsible for inspecting packages received from a Carrier. Any visible damage should be noted on the Carrier's Bill of Lading prior to signing as received.
 - b. If actual damage is discovered, contact the Carrier and request a freight inspection. Retain ALL SHIPPING MATERIALS until the freight inspection has been conducted.
 - c. Contact the Supplier and advise them of the damage and the steps taken with the Carrier
 - d. Contact Receiving for advice, if needed
 - e. Contact the Buyer if additional assistance is required

Delivery & Receiving

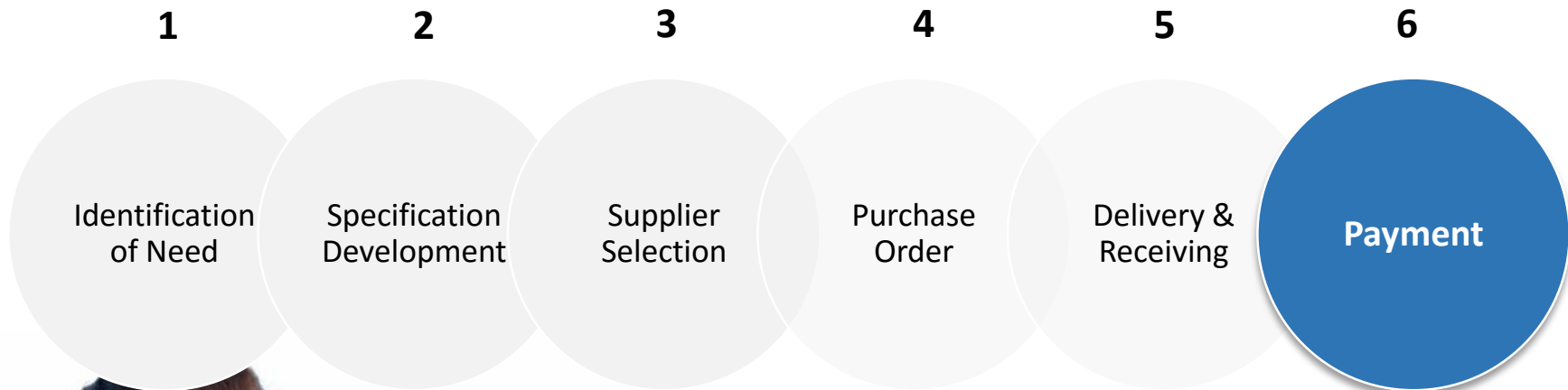
Receipt of Products Differing from Those Ordered

- a. Contact the vendor
- b. Contact the Buyer, if additional assistance is required

Return of Products

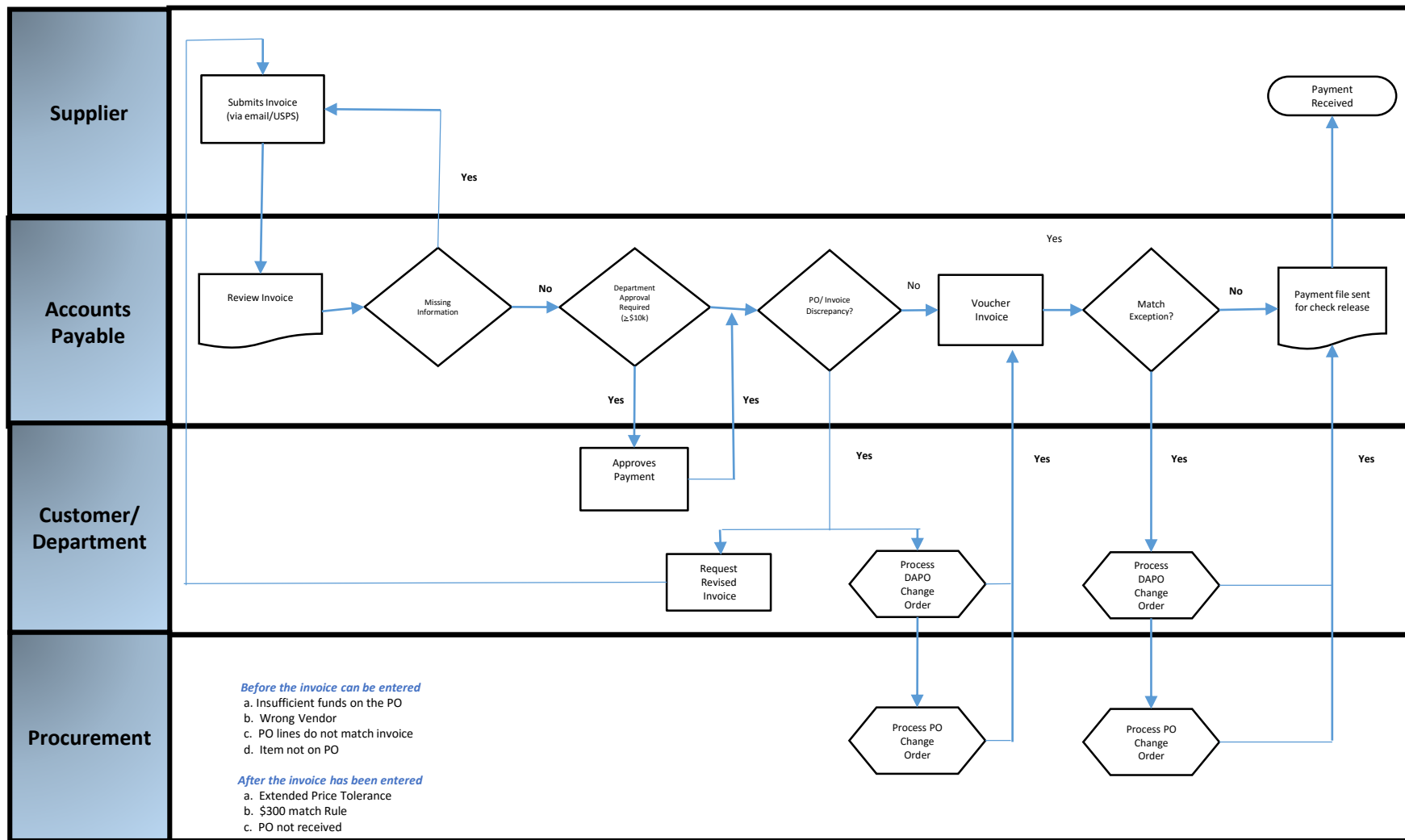
1. Wrong Item Shipped
 - a. Contact the vendor
 - b. Contact the Buyer, if additional assistance is required
2. Wrong Item Ordered or Item Not Wanted –
 - a. Contact the supplier
 - b. Contact the Buyer to assist in making arrangements to return the item and order the correct item, if applicable
3. Overage received (more received than ordered) and not wanted –
 - a. Contact the vendor and advise them of the over-shipment and ask that they arrange for pick-up (at their cost)
 - b. In the event the end user wishes to retain any overages, contact the Buyer to adjust the purchase quantity to permit payment for the extra item(s)

Procure-to-Pay



Presenter: Aver Smith

Invoice Payment



The Importance of Standard Processes

- In a distributed PO environment, it is important to follow standard processes to:
 - Ensure goods and services are promptly received and vendor paid per agreement terms
 - Ensure good procurement and financial management internal controls are in place
 - Minimize re-work and duplication of effort
 - Minimize credit holds

The Importance of Standard Processes

- Vendor must be provided with a copy of the purchase order
 - PO number can be provided in advance, but a copy must be provided as it contains the terms and conditions of the procurement action
 - Invoices received without a purchase order number referenced will be returned to the vendor
 - Order should be promptly encumbered, so the order is reflected on the general ledger and available for vouchering
- Order should be promptly encumbered, so the order is reflected on the general ledger and available for vouchering
- Ensure correct vendor number is utilized
- Ensure correct FAU is utilized
- As items are received, the items should be promptly inspected and marked as received (or returned)
 - Best practice is to scan and attach packing slip in eBuy for audit history

The Importance of Standard Processes

- Vendor invoices must be sent directly to the Accounting Office
 - Allows for prompt payment discounts to be applied
 - Allows for payment terms to be met
 - Instructions on where to send invoices is provided to vendor on the purchase order
 - Departments can request a copy of the invoice from the vendor, but original must be sent to the Accounting Office
 - Invoices sent directly to the department are:
 - Contributing to delays in payments and credit hold situations
 - Negatively impacting the University's ability to do business

The Importance of Standard Processes

All invoices should be sent directly to the Accounting department by the vendor.

- Invoices sent via regular mail:
 - University of California, Riverside
 - Accounting Office –02
 - Riverside, CA 92521
- Invoices can be e-mailed to: apinvoice@ucr.edu
 - Email address is for receipt of invoices only
 - One invoice per e-mail (to assist with automation efforts)
 - Inquiries should be directed to AP operator:
 - A-D, O-P: Cathy Newland
 - E-N: Rosmery Martinez
 - Q-Z: Philisa Morino-Dent (Temp)
 - Subcontracts: Dorthsea Ford
- Unresolved issues should be escalated to Aver.Smith@ucr.edu

Please note attaching invoices to PO's in eBuy does not generate a request for payment to Accounting

Wrap-up

Procure-to-Pay

1

Identification
of Need

2

Specification
Development

3

Supplier
Selection

4

Purchase
Order

5

Delivery &
Receiving

6

Payment

UCR P2P Goals

Maximize operating efficiency through
continuous improvement



BFS – Business & Financial Services
A Division of Business & Administration Services (BAS)



Questions ??

Thanks for Attending!



BFS – Business & Financial Services
A Division of Business & Administration Services (BAS)



APPENDIX

New Supplier Setup

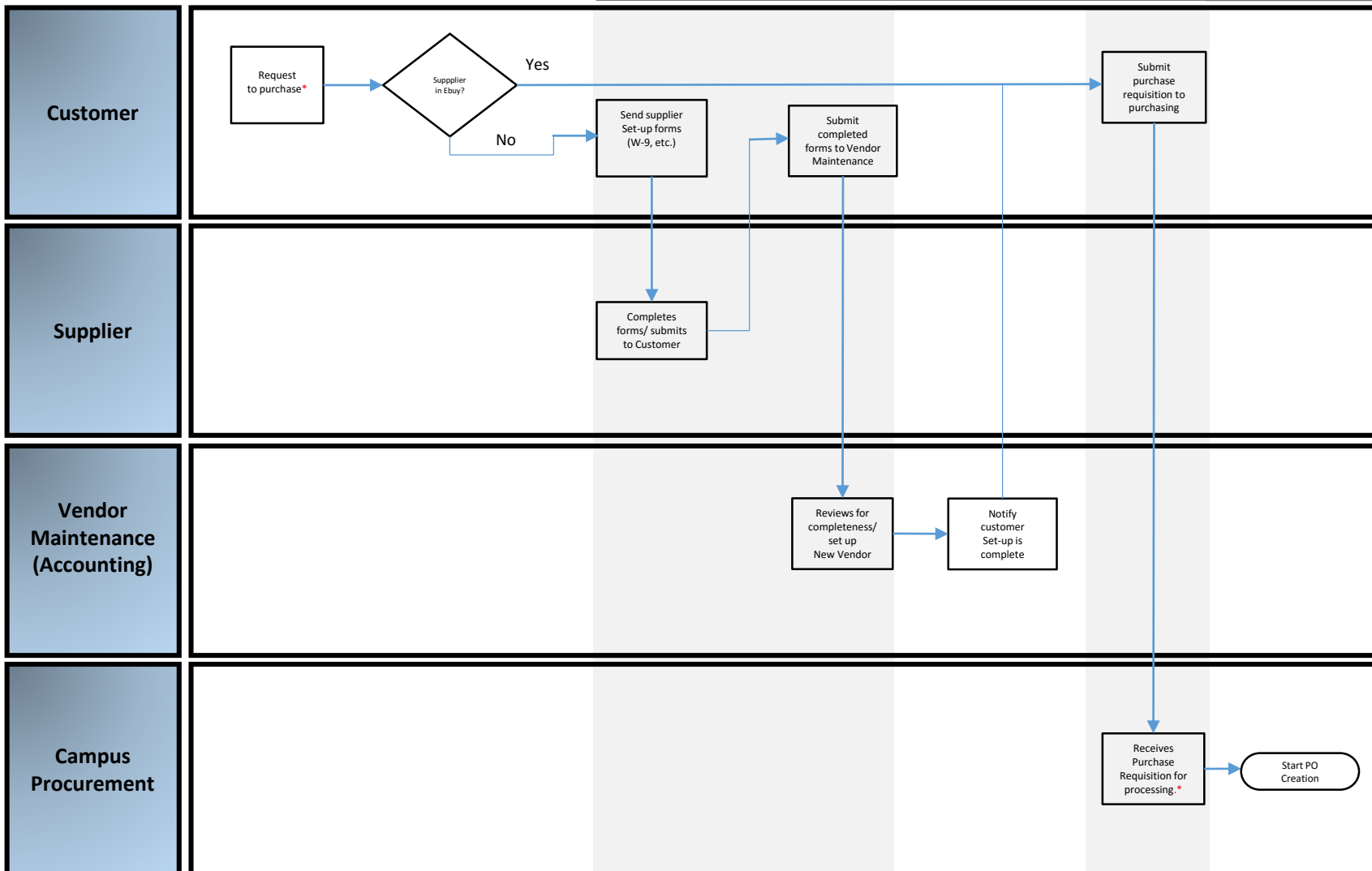
Turnaround time for new supplier set-up:

~1-3 days

~1 day

~1 day

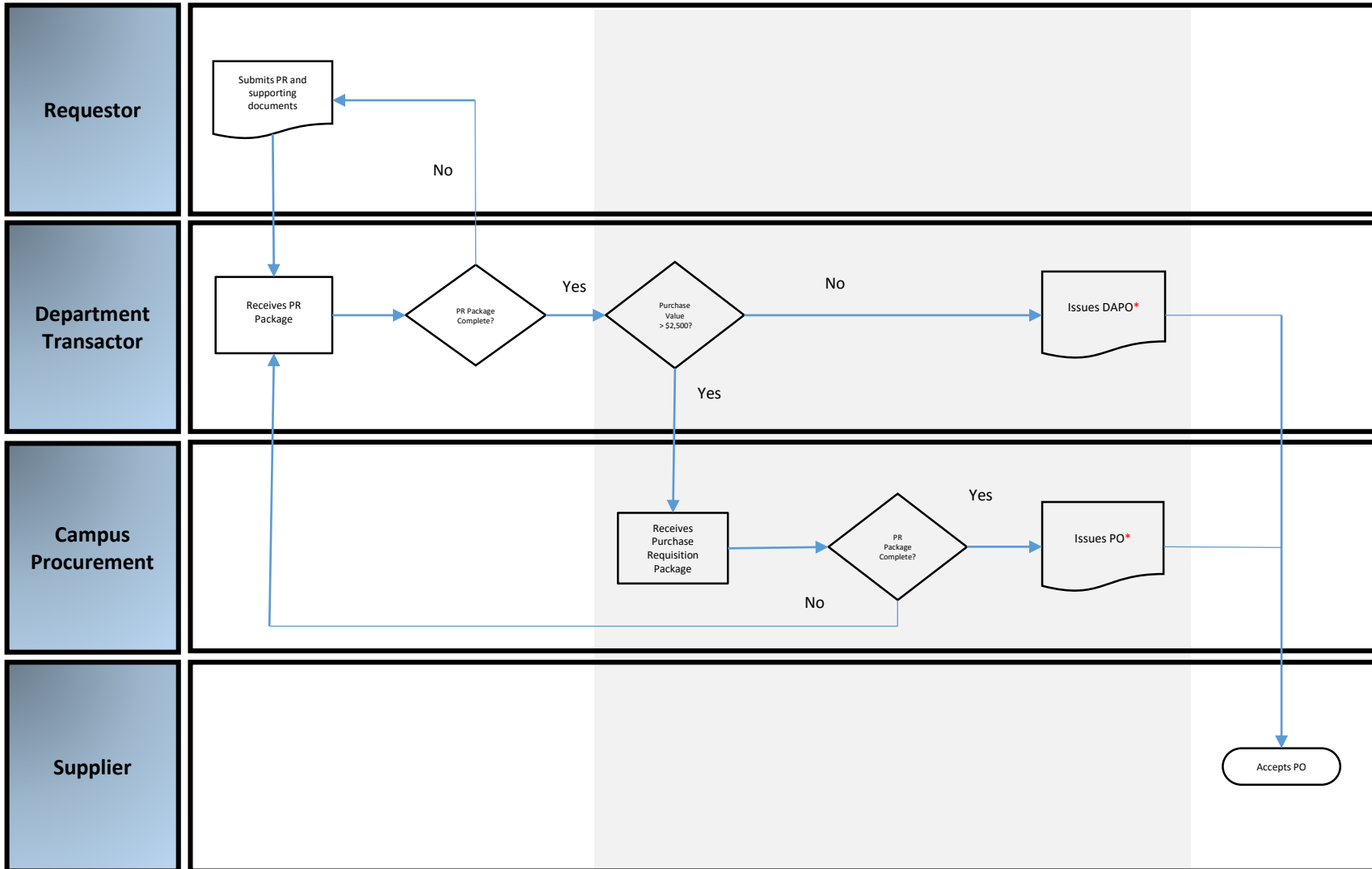
~1-3 days**



Purchase Order Creation (<\$100k) Appendix

Turnaround time for PO generation:

~1-10 days



Appendix

Justification & Approval Form

UCR requires for any purchase \geq \$50,000



Procurement Services
SOURCE SELECTION & PRICE REASONABLENESS JUSTIFICATION AND APPROVAL FORM

FOR:

NON-FEDERALLY FUNDED GOODS/COMMERCIAL SERVICES* EXCEEDING \$99,999.99

This document is to be completed by the requesting Department for all purchases on non-federal funds in excess of \$99,999.99 (excluding tax), to substantiate the appropriateness of source selection and price reasonableness. Locations are strongly encouraged to seek competition even in cases where the goods and/or services are exempt from the requirement to competitively bid.

Campus Department		Requisition #	
Justification Prepared By		Date	
Desired Supplier		Dollar Amount	

I. SOURCE SELECTION – REQUIRED - CHECK the applicable box

UC AGREEMENT/BID # _____

SOLE SOURCE (Complete Sections II, III & VI, below)

PROFESSIONAL OR PERSONAL SERVICES (Complete Sections II, IV & VI below)

UNUSUAL AND COMPELLING URGENCY (Complete Sections II, V & VI below)

II. PRICE REASONABLENESS – REQUIRED

Please describe below how you determined this is a fair and reasonable price?

(Helpful ideas for your narrative: Do you have any comparison of the offered price to historical prices paid the same or similar items? Are the prices set by law? Did you perform market research or verify the pricing on a published price list/catalog?)

COST/PRICE ANALYSIS

IF APPLICABLE, PLEASE OBTAIN A MINIMUM OF THREE (3) COMPARISONS FOR SIMILAR SERVICES. ATTACH COPIES OF THE COMPARISONS AND COMPLETE THE FOLLOWING:

SUPPLIER A: _____ PRICE: _____

SUPPLIER B: _____ PRICE: _____

SUPPLIER C: _____ PRICE: _____

COMPARISON DISCOUNTS

HAS THE SUPPLIER APPLIED ANY EDUCATIONAL, STATE, OR OTHER DISCOUNTS? YES*** NO

***IF YES, WHAT IS THE TOTAL DOLLAR SAVINGS OR PERCENTAGE OF SAVINGS? _____

Appendix

Unauthorized Purchase Approval Form

UNAUTHORIZED PURCHASE DECLARATION FORM

Instructions for use: If a department accepts responsibility for payment of incurred charges from an unauthorized purchase, the department must submit this form along with a purchase requisition to Procurement Services in order to initiate payment.

Unauthorized purchases are purchase transactions that are either entered into by an individual that is not authorized to contract on behalf of the University, or entered into by an individual normally authorized to contract, but who uses an unauthorized procurement method, or exceeds their delegated authority. (See Campus Policy [750-63](#))

Part I. UCR Department

Department or Unit Name:

Requisition Number or Control Number (if known):

Part II. Supplier Information

Vendor:

Unauthorized Item or Service:

Part III. Statement explaining the circumstances surrounding why Procurement Services was not contacted prior to obtaining this product or service and the steps taken to prevent reoccurrence:

Part IV. Certification (person responsible for unauthorized transaction)

I certify that the statement above is true and accurate. In addition, I have read and agree to comply with Campus Policy [750-63](#) regarding future transactions.

Name:

Title:

Signature: _____ Date: _____

Part V. Department Approval (Financial Officer)

I approve payment of the incurred charges resulting from the unauthorized purchase described above.

Name:

Title:

Signature: _____ Date: _____

ucr_unauthorized_purchase_form_v1.4

Effective: 12/09/2014

Supersedes: ucr_unauthorized_purchase_form_v1.3